The following is the text of a report, prepared for inclusion in this **[REDACTED]**, *received from our Company's reporting accountants, SHINEWING (HK) CPA Limited, Certified Public Accountants, Hong Kong.*

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The Board of Directors
Guru Online (Holdings) Limited

CLC International Limited

Dear Sirs,

INTRODUCTION

We set out below our report on the financial information (the "Financial Information") relating to Guru Online (Holdings) Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") for each of the years ended 31 March 2013 and 2014 and eight months ended 30 November 2014 (the "Track Record Period") for inclusion in the document of the Company dated ***[Date]*** (the "Document") in connection with **[REDACTED]**.

The Company was incorporated on 10 January 2014 as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands which acts as an investment holding company under the name of AdBeyond International (Holdings) Limited. On 24 January 2014, the Company changed its name to Guru Online (Holdings) Limited. Pursuant to a group reorganisation as detailed in the section headed "History, Development and Reorganisation – Reorganisation" to the document (the "Reorganisation"), the Company has become the holding company of the companies now comprising the Group since ***[DATE]***. The Company has not carried out any business since the date of its incorporation saves for the aforementioned Reorganisation.

As at 31 March 2013 and 2014, 30 November 2014 and the date of this report, the Company has direct and indirect interests in the following subsidiaries comprising the Group:

Name of subsidiaries	Form of business	Place and date of incorporation/ establishment/operation	Issued and fully paid share capital/ registered capital	Percentage of equity interest attributable to the Company				Principal activities
				31 March		30 November	Date of	
				2013	2014	2014	this report	
AdBeyond Holdings Limited ("AdBeyond BVI") *(note i)*	Incorporated	British Virgin Islands ("BVI") 23 August 2012	HK$32,249	100%	100%	100%	100%	Investment holding
AdBeyond (Group) Limited ("AdBeyond HK")	Incorporated	Hong Kong 29 March 2007	HK$20,942	100%	100%	100%	100%	Provision of marketing services
Adbeyond (Group) Limited ("AdBeyond GZ") 廣州超帆信息科技有限公司 *(notes ii and iv)*	Incorporated	The People's Republic of China (the "PRC") 22 November 2012	HK$1,350,000	100%	100%	100%	100%	Provision of marketing services
Beijing AdBeyond Gao Rui Technology Company Limited ("AdBeyond BJ") 北京超凡高睿科技有限公司 *(notes iii and iv)*	Incorporated	PRC 10 July 2013	RMB1,000,000	N/A	100%	100%	100%	Provision of marketing services
iMinds Interactive Holdings Limited ("iMinds BVI") *(notes i and v)*	Incorporated	BVI 6 January 2014	US$1	N/A	100%	100%	100%	Investment holding
iMinds Interactive Limited ("iMinds HK") *(note v)*	Incorporated	Hong Kong 7 January 2008	HK$1	–	100%	100%	100%	Provision of digital media services

Notes:

(i) AdBeyond BVI and iMinds BVI are directly held by the Company. All other subsidiaries are indirectly held by the Company.

(ii) A wholly foreign owned enterprise with limited liability.

(iii) A domestic company established in the PRC with limited liability.

(iv) English translated name is for identification only.

(v) These companies were acquired by the Group in March 2014. Details are set out in note 32 of Section A below.

The Company, AdBeyond BVI, iMinds BVI, AdBeyond HK and iMinds HK have adopted 31 March as their financial year end date. AdBeyond GZ and AdBeyond BJ have adopted 31 December as their financial year end date.

No statutory audited financial statements have been prepared for the Company, AdBeyond BVI and iMinds BVI as there is no such statutory requirement under the relevant rules and regulations. However, for the purpose of this report, we have reviewed all relevant transactions of these companies since their respective dates of incorporation or acquisition to 30 November 2014 and carried out such procedures as we considered necessary for inclusion of the Financial Information in relation to these companies in this report.

The audited statutory financial statements of AdBeyond HK and iMinds HK were prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and were audited by certified public accountants registered in Hong Kong.

The audited statutory financial statements of AdBeyond GZ and AdBeyond BJ were prepared in accordance with relevant accounting principles and financial regulations applicable to enterprise established in the PRC and were audited by certified public accountants registered in the PRC.

The statutory auditors of the above companies during the Track Record Period are as follows:

Name of subsidiary	Financial period	Name of auditor
AdBeyond HK	Year ended 31 March 2013	SHINEWING (HK) CPA Limited
	Year ended 31 March 2014	SHINEWING (HK) CPA Limited
iMinds HK	Year ended 31 March 2013	Fusion Certified Public Accountants
	Year ended 31 March 2014	Fusion Certified Public Accountants
AdBeyond GZ	Period from 22 November 2012 (date of establishment) to 31 December 2013	廣東正源會計師事務所有限公司
AdBeyond BJ	Period from 10 July 2013 (date of establishment) to 31 December 2013	北京東審鼎立國際會計師事務所有限公司

The statutory financial statements of AdBeyond GZ and AdBeyond BJ for the year ended 31 December 2014 have not been issued as they are not yet due.

BASIS OF PREPARATION

For the purpose of this report, the directors of the Company have prepared the combined financial statements of the Company and its subsidiaries for the Track Record Period in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") (the "Underlying Financial Statements"). We have undertaken an independent audit on the Underlying Financial Statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA for the Track Record Period.

The Financial Information has been prepared by the directors of the Company based on the Underlying Financial Statements on the basis set out in Note 2 of Section A below, with no adjustments thereto, and in accordance with the applicable disclosure provisions of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Rules").

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

The directors of the Company are responsible for the preparation of the Financial Information that gives a true and fair view in accordance with HKFRSs issued by the HKICPA, the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the GEM Rules, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Financial Information that is free from material misstatement, whether due to fraud or error.

Our responsibility is to form an independent opinion on the Financial Information based on our procedures and to report our opinion thereon to you.

BASIS OF OPINION

As a basis for forming an opinion on the Financial Information, for the purpose of this report, we have examined the Underlying Financial Statements and have carried out such appropriate procedures as we considered necessary in accordance with Auditing Guideline 3.340 "Document and the Reporting Accountant" issued by the HKICPA.

OPINION

In our opinion, for the purpose of this report, and on the basis of preparation set out in Note 2 of Section A below, the Financial Information gives a true and fair view of the state of affairs of the Group as at 31 March 2013 and 2014 and 30 November 2014 and of the Company as at 31 March 2014 and 30 November 2014, and the Group's combined results and combined cash flows for the Track Record Period.

The comparative combined statement of profit or loss and other comprehensive income, combined statement of changes in equity and combined statement of cash flows of the Group for the eight months ended 30 November 2013 together with the notes thereon (the "November 2013 Financial Information") have been extracted from the Group's unaudited combined financial statements for the same period, which was prepared by the directors of the Company solely for the purpose of this report. We have reviewed the November 2013 Financial Information in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. Our review of the November 2013 Financial Information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the November 2013 Financial Information. Based on our review, nothing has come to our attention that causes us to believe that the November 2013 Financial Information is not prepared, in all material aspects, in accordance with the accounting policies consistent with those used in the preparation of the Financial Information which conform with HKFRSs.

A. FINANCIAL INFORMATION

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 March		Eight months ended 30 November	
		2013	**2014**	**2013**	**2014**
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Revenue	*8*	89,048	112,594	75,755	95,092
Cost of services		(49,707)	(64,280)	(42,530)	(53,845)
Gross profit		39,341	48,314	33,225	41,247
Other income	*10*	60	326	205	420
Selling expenses		(10,169)	(13,217)	(8,350)	(10,243)
Administrative expenses		(12,492)	(28,381)	(14,226)	(20,931)
Share of results of associates	*18*	(38)	74	194	271
Finance costs	*11*	(3)	(2)	(2)	(2)
Profit before tax	*12*	16,699	7,114	11,046	10,762
Income tax expense	*13*	(2,995)	(2,513)	(1,864)	(2,100)
Profit for the year/period attributable to owners of the Company		13,704	4,601	9,182	8,662
Other comprehensive income for the year/period					
Items that will be subsequently reclassified to profit or loss					
Exchange differences arising on translation of foreign operations		6	(58)	12	78
Total comprehensive income for the year/period attributable to owners of the Company		13,710	4,543	9,194	8,740

COMBINED STATEMENTS OF FINANCIAL POSITION

		The Group			The Company	
		At 31 March		At 30 November	At 31 March	At 30 November
	Notes	2013	2014	2014	2014	2014
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Non-current assets						
Plant and equipment	*17*	2,497	2,550	5,375	–	–
Interests in associates	*18*	94	168	439	–	–
Intangible assets	*19*	2,162	1,707	2,838	–	–
Prepayment for acquisition of plant and equipment		–	1,128	–	–	–
Deposit paid		458	458	451	–	–
		5,211	6,011	9,103	–	–
Current assets						
Trade and bills receivables	*20*	27,536	39,741	49,662	–	–
Deposits, prepayments and other receivables	*21*	2,331	8,099	8,012	–	–
Amounts due from related companies	*22*	2,655	9	9	–	–
Amounts due from associates	*23*	148	245	315	–	–
Amounts due from shareholders	*23*	7,050	229	–	–	–
Held-to-maturity investments	*24*	–	5,033	–	–	–
Restricted bank balance	*25*	50	50	50	–	–
Bank balances and cash	*25*	27,136	6,962	11,673	–	–
		66,906	60,368	69,721	–	–
Current liabilities						
Trade and other payables	*26*	7,135	8,724	9,830	–	–
Amount due to a subsidiary	*27*	–	–	–	–	106
Receipts in advance		1,880	2,266	1,870	–	–
Accrued expenses		1,612	2,977	4,748	–	–
Tax payable		502	838	1,489	–	–
Obligation under a finance lease	*28*	19	20	21	–	–
		11,148	14,825	17,958	–	106
Net current assets (liabilities)		55,758	45,543	51,763	–	(106)
Total assets less current liabilities		60,969	51,554	60,866	–	(106)
Non-current liabilities						
Obligation under a finance lease	*28*	36	16	2	–	–
Deferred tax liabilities	*29*	730	592	1,178	–	–
		766	608	1,180	–	–
		60,203	50,946	59,686	–	(106)
Capital and reserves						
Share capital	*30*	32	32	32	–	–
Reserves	*31*	60,171	50,914	59,654	–	(106)
		60,203	50,946	59,686	–	(106)

COMBINED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company				
	Share capital	**Share premium**	**Exchange reserve**	**Retained profits**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2012	21	1,999	–	10,523	12,543
Profit for the year	–	–	–	13,704	13,704
Exchange differences arising on translating of foreign operations	–	–	6	–	6
Profit and total comprehensive income for the year	–	–	6	13,704	13,710
Issue of shares *(note 30)*	11	44,626	–	–	44,637
Dividends paid *(note 15)*	–	–	–	(10,687)	(10,687)
At 31 March 2013 and 1 April 2013	32	46,625	6	13,540	60,203
Profit for the year	–	–	–	4,601	4,601
Exchange differences arising on translation of foreign operations	–	–	(58)	–	(58)
Total comprehensive (expense) income for the year	–	–	(58)	4,601	4,543
Dividends paid *(note 15)*	–	–	–	(13,800)	(13,800)
At 31 March 2014	32	46,625	(52)	4,341	50,946
Profit for the period	–	–	–	8,662	8,662
Exchange differences arising on translation of foreign operations	–	–	78	–	78
Profit and total comprehensive income for the period	–	–	78	8,662	8,740
At 30 November 2014	32	46,625	26	13,003	59,686
At 1 April 2013 (Audited)	32	46,625	6	13,540	60,203
Profit for the period	–	–	–	9,182	9,182
Exchange differences arising on translation of foreign operations	–	–	12	–	12
Profit and total comprehensive income for the period	–	–	12	9,182	9,194
Dividends paid *(note 15)*	–	–	–	(13,800)	(13,800)
At 30 November 2013 (Unaudited)	32	46,625	18	8,922	55,597

COMBINED STATEMENTS OF CASH FLOWS

	Year ended 31 March		Eight months ended 30 November	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(Unaudited)	
OPERATING ACTIVITIES				
Profit before tax	16,699	7,114	11,046	10,762
Adjustments for:				
Finance costs	3	2	2	2
Bank interest income	(3)	(128)	(71)	(58)
Reversal of impairment losses on trade receivables	–	–	–	(66)
Depreciation of plant and equipment	708	949	590	1,146
Amortisation of intangible assets	114	455	303	303
Write off of goodwill arising on acquisition of subsidiaries	–	22	–	–
Share of results of associates	38	(74)	(194)	(271)
Operating cash flow before movements in working capital	17,559	8,340	11,676	11,818
Increase in trade and bills receivables	(14,520)	(10,688)	(14,786)	(9,784)
(Increase) decrease in deposits, prepayments and other receivables	(1,599)	(4,806)	(4,354)	98
Increase in trade and other payables	1,671	659	4,284	1,104
Increase (decrease) in receipts in advance	230	373	368	(396)
(Decrease) increase in accrued expenses	(540)	1,351	297	1,771
CASH GENERATED FROM (USED IN) OPERATIONS	2,801	(4,771)	(2,515)	4,611
Income tax paid	(3,111)	(2,315)	–	(863)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(310)	(7,086)	(2,515)	3,748

	Year ended 31 March		Eight months ended 30 November	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(Unaudited)	
INVESTING ACTIVITIES				
Repayment from (advance to) associates	55	(97)	(3,053)	(70)
(Advance to) repayment from related companies	(1,149)	(9)	1,405	–
(Advance to) repayment from shareholders	(7,050)	6,821	6,276	229
Interest received	3	24	71	58
Purchase of plant and equipment	(1,282)	(1,000)	(603)	(2,840)
Prepayment for acquisition of plant and equipment		(1,128)	–	–
Investment in an associate	(2)	–	–	–
Development cost of intangible assets	(2,181)	–	–	(1,434)
Net cash inflow from acquiring a subsidiary *(note 32)*	–	1,115	–	–
(Purchase) redemption of held-to-maturity investments	–	(5,000)	(5,000)	5,033
NET CASH (USED IN) FROM INVESTING ACTIVITIES	(11,606)	726	(904)	976
FINANCING ACTIVITIES				
Interest paid	(3)	(2)	(2)	(2)
Dividends paid	(10,687)	(13,800)	(10,482)	–
Repayments of obligation under a finance lease	(18)	(20)	(14)	(13)
Proceeds from issue of shares	44,637	–	–	–
Advance from a related company	–	–	1,265	–
Repayment to directors	(377)	–	–	–
NET CASH FROM (USED IN) FINANCING ACTIVITIES	33,552	(13,822)	(9,233)	(15)
Net increase (decrease) in cash and cash equivalents	21,636	(20,182)	(12,652)	4,709
Cash and cash equivalents at beginning of year/period	5,494	27,136	27,136	6,962
Effect of foreign exchange rate changes	6	8	28	2
Cash and cash equivalents at end of year/period, represented by bank balances and cash	27,136	6,962	14,512	11,673

NOTES TO THE FINANCIAL INFORMATION

1. GENERAL

The Company was incorporated on 10 January 2014 as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands. Pursuant to a special resolution passed on 22 January 2014, the name of the Company was changed from AdBeyond International (Holdings) Limited to Guru Online (Holdings) Limited.

The addresses of the registered office and the principal place of business of the Company are stated in the "Corporate Information" section of the Document. The Group's major operating subsidiaries are mainly engaged in the provision of marketing services.

The Financial Information is presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company.

2. GROUP REORGANISATION AND BASIS OF PRESENTATION OF FINANCIAL INFORMATION

Pursuant to the Reorganisation as described in the section headed "History, Development and Reorganisation - Reorganisation" in the Document, the Company became the holding company of the companies now comprising the Group after the completion of the Reorganisation. The companies now comprising the Group have been under the common control of the ultimate controlling shareholders including Mr. Yip Shek Lun, Ms. Wan Wai Ting, Mr. Jeff Ng and Ms. Wang Lai Man, Liza throughout the Track Record Period or since their respective dates of incorporation/ establishment up to 30 November 2014. The Group comprising the Company and its subsidiaries resulting from the Reorganisation is regarded as a continuing entity. Accordingly, the Financial Information has been prepared on a combined basis as if the Company had always been the holding company of the Group by applying the principles of merger accounting with reference to Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the HKICPA as if the Reorganisation had been completed at the beginning of the Track Record Period as set out in the accounting policy of the Company under "Merger accounting for business combination involving entities under common control" in note 4 to the Financial Information.

The combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows including the results and cash flows of companies comprising the Group have been prepared as if the current group structure had been in existence throughout the Track Record Period or since the respective dates of incorporation/establishment of the relevant Group's subsidiaries, up to 30 November 2014. The combined statements of financial position of the Group as at 31 March 2013 and 2014 and 30 November 2014 have been prepared to present the assets and liabilities of the companies comprising the Group as if the current group structure had been in existence as at those dates.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSS")

For the purpose of preparing and presenting the Financial Information for the Track Record Period, the Group has consistently adopted all the new and revised Hong Kong Accounting Standards ("HKAS"), HKFRSs, amendments and interpretations ("Int") (hereinafter collectively referred to as "new and revised HKFRSs" issued by the HKICPA which are effective for the accounting periods beginning on 1 January 2014.

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

HKFRS 9 (2014)	Financial Instruments[1]
HKFRS 15	Revenue from Contracts with Customers[2]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[4]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptance Methods of Depreciation and Amortisation[4]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[4]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[3]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[4]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 – 2012 Cycle[3]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 – 2013 Cycle[3]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 – 2014 Cycle[4]

1 Effective for annual periods beginning on or after 1 January 2018.
2 Effective for annual periods beginning on or after 1 January 2017.
3 Effective for annual periods beginning on or after 1 July 2014.
4 Effective for annual periods beginning on or after 1 January 2016.

The directors of the Company anticipate that, except as described below, the application of the new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

HKFRS 9 (2014) Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 and includes the requirements for the classification and measurement of financial liabilities and for derecognition. In 2013, HKFRS 9 was further amended to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. A finalised version of HKFRS 9 was issued in 2014 to incorporate all the requirements of HKFRS 9 that were issued in previous years with limited amendments to the classification and measurement by introducing a "fair value through other comprehensive income" ("FVTOCI") measurement category for certain financial assets. The finalised version of HKFRS 9 also introduces an "expected credit loss" model for impairment assessments.

Key requirements of HKFRS 9 (2014) are described below:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In the aspect of impairment assessments, the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit were added. Those requirements eliminate the threshold that was in HKAS 39 for the recognition of credit losses. Under the impairment approach in HKFRS 9 (2014) it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, expected credit losses and changes in those expected credit losses should always be accounted for. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

- HKFRS 9 introduces a new model which is more closely aligns hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures. As a principle-based approach, HKFRS 9 looks at whether a risk component can be identified and measured and does not distinguish between financial items and non-financial items. The new model also enables an entity to use information produced internally for risk management purposes as a basis for hedge accounting. Under HKAS 39, it is necessary to exhibit eligibility and compliance with the requirements in HKAS 39 using metrics that are designed solely for accounting purposes. The new model also includes eligibility criteria but these are based on an economic assessment of the strength of the hedging relationship. This can be determined using risk management data. This should reduce the costs of implementation compared with those for HKAS 39 hedge accounting because it reduces the amount of analysis that is required to be undertaken only for accounting purposes.

HKFRS 9 (2014) will become effective for annual periods beginning on or after 1 January 2018 with early application permitted.

The directors of the Company anticipate that the adoption of HKFRS 9 (2014) in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities. Regarding the Group's financial assets and financial liabilities, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

HKFRS 15 Revenue from Contracts with Customers

In July 2014, HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.

- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's combined financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

4. SIGNIFICANT ACCOUNTING POLICIES

The Financial Information has been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the Financial Information includes applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies Ordinance.

The Financial Information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account those characteristics when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these combined financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of combination

The Financial Information incorporates the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control stated above.

Combination of a subsidiary begins when the Group obtains control of the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the combined statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the 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.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on combination.

Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Merger accounting for business combination involving entities under common control

The combined financial statements incorporate the financial statements items of the combining entities or business in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are combined using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The combined statement of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the combined financial statements are presented as if the entities or businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is shorter.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. For the goodwill arriving on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of profit or loss and other comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these combined financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the combined statements of financial position at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which include any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the associate is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment (or a portion thereof) is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKAS 39. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When a group entity transacts with an associate of the Group (such as a sale or contribution of assets), profits and losses resulting from the transactions with the associate are recognised in the Group's combined financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for services rendered in the normal course of business, net of discounts and sales related taxes.

Service income is recognised when services are provided.

The Group derives revenue from provision of advertisement placement services through digital media and provision of set-up, maintenance and monitor services on corporate profile pages through the social media platforms. The revenue is recognised on a straight-line basis over the service period.

The Group also provides services involving design and copywriting of digital advertisements, production of corporate profile pages, website, apps and related consultation. The revenue derives from these contracts is recognised by reference to the stage of completion of the contract. The stage of completion of the contract is determined by reference to the proportion of the total cost of providing the service.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Plant and equipment

Plant and equipment are stated in the combined statements of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the combined statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below).

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the combined statements of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the combined financial statements and the corresponding tax base 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 difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, 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.

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 is realised, based on the tax rate (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.

Current and deferred taxes are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

For the purposes of presenting the combined financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

Intangible assets

Internally-generated intangible asset – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised to profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible asset is measured at cost less accumulated impairment losses (if any), on the same basis as intangible assets acquired separately.

Impairment losses on tangible and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as expense immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately in profit or loss.

Retirement benefit plans

Payments to state-managed retirement benefit schemes and the Mandatory Provident Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Cash and cash equivalents

Cash in the combined statements of financial position comprise cash at banks and on hand with a maturity of three months or less.

For the purpose of the combined statements of cash flows, cash and cash equivalents represent cash as defined above.

Financial instruments

Financial assets and financial liabilities are recognised in the combined statements of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

Financial assets are classified into the following specified categories: held-to-maturity investments and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Held-to-maturity instruments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Group's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, deposits and other receivables, amounts due from related companies/associates/shareholders, restricted bank balance and bank balances and cash) are measured at amortised cost using the effective interest method, less any identified impairment loss (see accounting policy on impairment of financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For all financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter into bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period 30-60 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, deposits and other receivables, amounts due from related companies/associates/shareholders, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable, a deposit or other receivable, or an amount due from a related company/an associate/a shareholder is considered uncollectible, it is written-off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

The Group's financial liabilities are classified into other financial liabilities including trade and other payables, accrued expenses, amount due to a subsidiary and obligation under a finance lease are subsequently measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirely, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4 above, the directors of the Company are required to make judgements, 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 on-going 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.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the combined financial statements.

Held-to-maturity investments

The directors of the Company have reviewed the Group's held-to-maturity investments in the light of its capital maintenance and liquidity requirements and have confirmed the Group's positive intention and ability to hold those assets to maturity. The carrying amount of the held-to-maturity investments were approximately nil, HK$5,033,000 and nil as at 31 March 2013 and 2014 and 30 November 2014 respectively. Details of these assets are set out in note 24.

Significant influence over associates

As per note 18, the directors of the Company considered Travellife Limited, bMedia Limited, Qooza Interactive Limited and Unwire Limited, in which the Group has 20%, 19.9%, 13% and 19.9% equity interests, respectively, are associates of the Group. The Group has significant influence over bMedia Limited, Qooza Interactive Limited and Unwire Limited by virtue of its contract right to appoint one out of the five directors of these associates and voting right under the provisions stated in the shareholders' agreement of these associates.

Key source of estimation uncertainty

The followings are 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.

Depreciation of plant and equipment and amortisation of intangible assets

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual values, while intangible assets are amortised on a straight-line basis over their estimated useful lives. The determination of the useful lives and residual values involve management's estimation. The Group assesses annually the residual values and the useful lives of the plant and equipment and intangible assets and if the expectation differs from the original estimates, such a difference may impact the depreciation and amortisation in the year and the estimate will be changed in the future period.

Estimated impairment loss on plant and equipment

The impairment loss on plant and equipment are recognised for the amounts by which the carrying amounts exceed their recoverable amounts, in accordance with the Group's accounting policy. The recoverable amounts of plant and equipment have been determined based on value-in-use calculations or fair value less cost to sell. The directors of Company select an appropriate technique to determine the recoverable amounts of plant and equipment. These calculations require the use of estimates such as the future revenue and discount rates. As at 31 March 2013 and 2014 and 30 November 2014, the carrying values of plant and equipment were approximately HK$2,497,000, HK$2,550,000 and HK$5,375,000 respectively. No impairment loss was recognised during the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014.

Estimated impairment loss on intangible assets

At the end of the reporting period, the Group performs testing on whether there has been impairment of intangible assets in accordance with the accounting policy as stated in note 4. Determining whether the intangible assets are impaired requires an estimation of the value in use of the cash-generating units to which the intangible assets has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 March 2013 and 2014 and 30 November 2014, the carrying values of intangible assets were approximately HK$2,162,000, HK$1,707,000 and HK$2,838,000 respectively. No impairment loss was recognised during the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014.

Estimated allowance for doubtful receivables

The Group makes allowances for doubtful debts based on an assessment of the recoverability of trade receivables. Allowances are applied to trade receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful receivables requires the estimation of future cash flows. Where the expectation of the recoverability of trade receivables is different from the original estimate, such difference will impact the carrying value of trade and bills receivables and allowance for doubtful debts in the year in which such estimation has changed. As at 31 March 2013 and 2014 and 30 November 2014, the carrying values of trade and bills receivables were approximately HK$27,536,000, HK$39,741,000, and HK$49,662,000 (net of allowance for doubtful debts of approximately HK$669,000, HK$508,000 and HK$337,000) respectively.

6. 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 remained unchanged during the Track Record Period.

The capital structure of the Group consists of bank balances, obligation under a finance lease and equity attributable to owners of the Company, comprising share capital and reserves.

The management of the Group reviews the capital structure periodically. As a part of this review, the directors of the Company consider costs of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends and new share issues.

The Group are not subject to either internally or externally imposed capital requirements.

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

a. Categories of financial instruments

	The Group			The Company	
	At 31 March		At 30 November	At 31 March	At 30 November
	2013	2014	2014	2014	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Financial assets					
Held-to-maturity investments	–	5,033	–	–	–
Loans and receivables (including cash and cash equivalents)	66,144	52,143	65,967	–	–
Financial liabilities					
Other financial liabilities at amortised cost	8,802	11,737	14,601	–	106

b. Financial risk management objectives and policies

The Group's major financial instruments include trade and bills receivables, deposits and other receivables, amounts due from associates/related companies/shareholders, held-to-maturity investments, restricted bank balance, bank balances and cash, trade and other payables, accrued expenses and obligation under a finance lease. The Company's major financial instruments include amount due to a subsidiary. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) Currency risk

Several subsidiaries of the Group have sales and cost of services acquired denominated in currencies other than the respective functional currency, which expose the Group to foreign currency risk. Approximately 15%, 18%, 16% and 18% of the Group's sales and 11%, 4%, 4% and 11% of the Group's cost of services acquired are denominated in currencies other than the functional currency of the group entity making the sales and acquiring the services for the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014, respectively. The Group currently does not have a foreign currency hedging policy. The Group will monitor foreign exchange exposure and consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's material foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Assets			Liabilities		
	As at 31 March		As at 30 November	As at 31 March		As at 30 November
	2013	2014	2014	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
USD	850	577	472	77	42	–
RMB	12,636	19,035	15,652	344	170	620

No monetary asset and liability of the Company denominated in foreign currency other than the functional currency of the Company.

Sensitivity analysis

No sensitivity analysis was prepared for USD of the group entity with functional currency of HK$ as HK$ is pegged to USD. The Group is mainly exposed to the currency risk of RMB.

The following table details the Group's sensitivity to a 5% decrease and increase in HK$ against RMB. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of each reporting period for a 5% change in foreign currency rate.

A positive number below indicates an increase in post-tax profit where HK$ weakening 5% against the relevant currency. For a 5% strengthen of HK$ against the relevant currency, there would be an equal and opposite impact on the profit, and the balances below would be negative.

	RMB		
	Year ended 31 March		Eight months ended 30 November
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Profit or loss	513	788	628

(ii) Interest rate risk

At 31 March 2013 and 2014 and 30 November 2014, the Group is exposed to cash flow interest rate risk in relation to its variable-rate bank balances. At 30 November 2014, the Group also exposed to fair value interest rate risk in relation held-to-maturity investments and restricted bank balance. The

Group currently does not have an interest rate hedging policy. However, management monitors interest rate exposure and will consider other necessary action when significant interest rate exposure is anticipated.

The Company has no interest bearing financial instruments and its exposure to interest rate risk is insignificant.

The Group's exposure to interest rate risk in relation to variable-rate bank balances is minimal due to short-term maturities, hence, no sensitivity analysis is prepared.

(iii) Credit risk

At 31 March 2013 and 2014 and 30 November 2014, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the combined statements of financial position. The Company has no exposure to the credit risk as no financial asset has been held as at the end of each reporting period.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of Company consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong, which accounted for 74%, 70% and 83% of total trade receivables as at 31 March 2013 and 2014 and 30 November 2014 respectively.

Amounts due from associates/related companies/shareholders, are continuously monitored by assessing the credit quality of the counterparty, taking into account their financial position, past experience and other factors. Where necessary, impairment loss is made for estimated irrecoverable amounts.

The credit risk on bank balances and held-to-maturity investments are limited because the counterparties are banks with high credit-ratings assigned by international credit-ratings agencies.

None of the Group's financial assets are secured by collateral or other credit enhancements.

(iv) Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The Company has net current liability of approximately HK$106,000 as at 30 November 2014 which arose from the operating expenses incurred by the Company but settled by its subsidiary. The directors of the Company monitor the liquidity position of the Company through financing provided by a subsidiary.

The following table details the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment dates. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Liquidity tables

The Group

At 31 March 2013	On demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash flows	Carrying amount at 31 March 2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Trade and other payables	7,135	–	–	7,135	7,135
Accrued expenses	1,612	–	–	1,612	1,612
Obligation under a finance lease	21	21	17	59	55
	8,768	21	17	8,806	8,802

At 31 March 2014	On demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash flows	Carrying amount at 31 March 2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Trade and other payables	8,724	–	–	8,724	8,724
Accrued expenses	2,977	–	–	2,977	2,977
Obligation under a finance lease	21	17	–	38	36
	11,722	17	–	11,739	11,737

At 30 November 2014	On demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash flows	Carrying amount at 30 November 2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Trade and other payables	9,830	–	–	9,830	9,830
Accrued expenses	4,748	–	–	4,748	4,748
Obligation under a finance lease	21	4	–	25	23
	14,599	4	–	14,603	14,601

The Company

At 30 November 2014	On demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash flows	Carrying amount at 30 November 2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Amount due to a subsidiary	106	–	–	106	106

c. Fair value measurements of financial instruments

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the combined financial statements approximate to their corresponding fair value due to short-term maturities.

8. REVENUE

Revenue represented revenue arising on provision of digital marketing services during the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014.

9. SEGMENT INFORMATION

The Group is principally engaged in provision of digital marketing services. Information reported to the chief operating decision maker (the "CODM"), being the directors of Company, for the purpose of resource allocation and assessment of segment performance focuses on type of services provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

(i) Digital Advertisement Placement Services – Provision of advertisement placement services through digital media.

(ii) Social Media Management Services – Provision of set-up, maintenance and monitor services on corporate profile pages through the social media platforms.

(iii) Creative and Technology Services – Provision of services involving design and copywriting of digital advertisements, production of corporate profile pages, website and apps, and related consultation.

Segment profit represents the gross profit attributable to each segment. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance. Segment assets and liabilities are not reported to the Group's CODM regularly.

Year ended 31 March 2013

	Digital Advertisement Placement Services	Social Media Management Services	Creative and Technology Services	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
REVENUE				
External sales and segment revenue	31,191	34,591	23,266	89,048
RESULT				
Segment profit	10,820	14,939	13,582	39,341
Other income				60
Selling expenses				(10,169)
Administrative expenses				(12,492)
Share of results of associates				(38)
Finance costs				(3)
Profit before tax				16,699

Year ended 31 March 2014

	Digital Advertisement Placement Services	Social Media Management Services	Creative and Technology Services	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
REVENUE				
External sales and segment revenue	39,974	47,196	25,424	112,594
RESULT				
Segment profit	14,751	20,807	12,756	48,314
Other income				326
Selling expenses				(13,217)
Administrative expenses				(28,381)
Share of results of associates				74
Finance costs				(2)
Profit before tax				7,114

Eight months ended 30 November 2013 (Unaudited)

	Digital Advertisement Placement Services	Social Media Management Services	Creative and Technology Services	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
REVENUE				
External sales and segment revenue	28,115	32,403	15,237	75,755
RESULT				
Segment profit	11,507	14,507	7,211	33,225
Other income				205
Selling expenses				(8,350)
Administrative expenses				(14,226)
Share of results of associates				194
Finance costs				(2)
Profit before tax				11,046

Eight months ended 30 November 2014

	Digital Advertisement Placement Services	Social Media Management Services	Creative and Technology Services	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
REVENUE				
External sales and segment results	35,610	37,227	22,255	95,092
RESULT				
Segment profit	12,376	14,608	14,263	41,247
Other income				420
Selling expenses				(10,243)
Administrative expenses				(20,931)
Share of results of associates				271
Finance costs				(2)
Profit before tax				10,762

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4. Segment profit represents the profit earned by each segment without allocation of central administration costs, directors' salaries, other income, share of results of associates and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Geographic information

The Group's operations are located in Hong Kong (country of domicile) and the PRC.

No geographic information for the Group's revenue from external customers has been presented as based on the location of operations over 90% of the external revenue is generated from Hong Kong during the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014.

Information about major customers

No revenue from a customer of the corresponding years/periods contributed over 10% of the total revenue of the Group during the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014.

10. OTHER INCOME

	Year ended 31 March		Eight months ended 30 November	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(Unaudited)	
Exchange gain	25	115	98	56
Bank interest income	3	128	71	58
Reversal of impairment losses on trade receivables	–	–	–	66
Sundry income	32	83	36	240
	60	326	205	420

11. FINANCE COSTS

	Year ended 31 March		Eight months ended 30 November	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(Unaudited)	
Interests on:				
Bank overdraft	1	–	–	–
Finance lease	2	2	2	2
	3	2	2	2

12. PROFIT BEFORE TAX

	Year ended 31 March		Eight months ended 30 November	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(Unaudited)	
Profit before tax has been arrived at after charging:				
Directors' emoluments *(note 14)*	–	3,396	2,264	2,263
Other staff costs	29,177	40,107	25,811	31,392
Contributions to retirement benefits schemes, excluding directors	1,170	1,446	934	1,197
Total staff costs	30,347	44,949	29,009	34,852
Auditors' remuneration	80	56	–	–
Amortisation of intangible assets (included in cost of services)	114	455	303	303
Depreciation of plant and equipment	708	949	590	1,146
Professional expenses incurred in connection with the Company's **[REDACTED]**	–	5,146	–	1,686
Minimum lease payments under operating leases in respect of rented premises	2,497	3,652	2,307	3,710
Write off of goodwill arising on acquisition of subsidiaries *(note 32)*	–	22	–	–

13. INCOME TAX EXPENSE

	Year ended 31 March		Eight months ended 30 November	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(Unaudited)	
Current tax:				
Hong Kong Profits Tax	2,431	2,651	1,975	1,233
PRC Enterprise Income Tax	123	–	–	281
	2,554	2,651	1,975	1,514
Over-provision of Hong Kong Profits tax in prior years	(12)	–	–	–
Deferred taxation *(note 29)*	453	(138)	(111)	586
	2,995	2,513	1,864	2,100

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% during the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014. No provision for the PRC Enterprise Income Tax had been made for the year ended 31 March 2014 and the eight months ended 30 November 2013 as there was no assessable profit for that periods.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014.

The income tax expense for the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014 can be reconciled to the profit before tax per the combined statements of profit or loss and other comprehensive income as follows:

	Year ended 31 March		Eight months ended 30 November	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000* (*Unaudited*)	*HK$'000*
Profit before tax	16,699	7,114	11,046	10,762
Tax at the domestic income tax rate of 16.5%	2,755	1,174	1,823	1,776
Effect of different tax rates of subsidiaries operating in other jurisdictions	(2)	(290)	(1)	(84)
Tax effect of share of results of associates	6	(7)	(32)	(45)
Tax effect of expenses not deductible for tax purpose	187	984	86	387
Tax effect of income not taxable for tax purpose	–	(20)	(12)	(9)
Utilisation of tax losses not recognised in prior years	–	–	–	(62)
Tax effect of tax losses not recognised	61	672	–	137
Over-provision in prior years	(12)	–	–	–
Income tax expense for the year/period	2,995	2,513	1,864	2,100

Details of deferred taxation are set out in note 29.

14. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

During the years ended 31 March 2013 and 2014 and eight months 30 November 2013 and 2014, no emoluments were paid by the Group to the directors of Company as an inducement to join or upon joining the Group or as compensation for loss of office.

Details of emoluments paid or payable by the Group to each of the directors of the Company are set out as follows:

Year ended 31 March 2013

	Fees	**Salaries and other allowances**	**Contributions to retirement benefits schemes**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Directors:				
Jeff Ng	–	–	–	–
Wan Wai Ting	–	–	–	–
Wang Lai Man, Liza	–	–	–	–
Yip Shek Lun	–	–	–	–
Wong Yuet Yeung, Harry (resigned on 30 November 2012)	–	–	–	–
Cheung Wing Hon (appointed on 30 November 2012)	–	–	–	–
Hu Ming (appointed on 30 November 2012)	–	–	–	–
Ng Chi Fung (appointed on 30 November 2012)	–	–	–	–
	–	–	–	–

Year ended 31 March 2014

	Fees	Salaries and other allowances	Contributions to retirement benefits schemes	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Executive directors:				
Jeff Ng	–	792	15	807
Wan Wai Ting	–	792	15	807
Wang Lai Man, Liza	–	792	15	807
Yip Shek Lun	–	960	15	975
Cheung Laam (appointed on 4 December 2013 and redesignated as non-executive director on 6 February 2014)	–	–	–	–
Cheung Wing Hon (redesignated as non-executive director on 6 February 2014)	–	–	–	–
Hu Ming (redesignated as non-executive director on 6 February 2014)	–	–	–	–
Ng Chi Fung (resigned on 4 December 2013)	–	–	–	–
Non-executive directors:				
Cheung Laam (redesignated as non-executive director on 6 February 2014)	–	–	–	–
Cheung Wing Hon (redesignated as non-executive director on 6 February 2014)	–	–	–	–
Hu Ming (redesignated as non-executive director on 6 February 2014)	–	–	–	–
	–	3,336	60	3,396

Eight months ended 30 November 2013 (Unaudited)

	Fees	Salaries and other allowances	Contributions to retirement benefits schemes	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Directors:				
Jeff Ng	–	528	10	538
Wan Wai Ting	–	528	10	538
Wang Lai Man, Liza	–	528	10	538
Yip Shek Lun	–	640	10	650
Cheung Wing Hon	–	–	–	–
Hu Ming	–	–	–	–
Ng Chi Fung	–	–	–	–
	–	2,224	40	2,264

Eight months ended 30 November 2014

	Fees	Salaries and other allowances	Contributions to retirement benefits schemes	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Executive directors:				
Jeff Ng	–	528	12	540
Wan Wai Ting	–	528	12	540
Wang Lai Man, Liza (redesigned as non-executive director on 27 November 2014)	–	519	12	531
Yip Shek Lun	–	640	12	652
Non-executive directors:				
Cheung Laam	–	–	–	–
Cheung Wing Hon	–	–	–	–
Hu Ming	–	–	–	–
Wang Lai Man, Liza (redesignated as non-executive director on 27 November 2014)	–	–	–	–
Independent non-executive directors:				
David Tsoi (appointed on 28 May 2014)	–	–	–	–
Hong Ming Sang (appointed on 28 May 2014)	–	–	–	–
Lam Tung Leung (appointed on 28 May 2014)	–	–	–	–
Tso Ping Cheong, Brian (appointed on 28 May 2014)	–	–	–	–
	–	2,215	48	2,263

During the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014, no chief executive has been appointed by the Company. Mr. Yip Shek Lun performed the duties of chief executive. His emolument disclosed above includes those services rendered by Mr. Yip Shek Lun.

None of the directors of the Company waived any emoluments during the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014.

(b) Employees' emoluments

Of the five individuals with the highest emoluments in the Group, during the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014, nil, four, four and three directors of the company whose emoluments are included in the disclosure above respectively. The emoluments of the remaining, five, one, one and two individuals were as follows:

	Year ended 31 March		**Eight months ended 30 November**	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000* *(Unaudited)*	*HK$'000*
Salaries and other benefits	2,402	70	46	380
Contributions to retirement benefits schemes	72	15	10	23
Performance related incentive payments *(note)*	872	870	570	1,164
	3,346	955	626	1,567

Note: Performance related incentive payments are determined as a percentage of the sales amount procured by the employees for the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014.

Their emoluments were within the following bands:

	Year ended 31 March		**Eight months ended 30 November**	
	2013	**2014**	**2013**	**2014**
	No. of employees	*No. of employees*	*No. of employees* *(Unaudited)*	*No. of employees*
Nil to HK$1,000,000	4	1	1	2
HK$1,000,001 to HK$1,500,000	1	–	–	–

During the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014, no emoluments were paid by the Group to the five highest paid individual as an inducement to join or upon joining the Group or as compensation for loss of office.

15. DIVIDENDS

During the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014, AdBeyond BVI made the following distributions to their shareholders.

	Year ended 31 March		Eight months ended 30 November	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(Unaudited)	
Dividends recognised as distribution during the year/ period by:				
AdBeyond BVI	10,687	13,800	13,800	–
Dividends attributable to owners of the AdBeyond BVI	10,687	13,800	13,800	–

The rate of dividends and the number of shares ranking for the above dividends are not presented as such information is not meaningful having regard to the purpose of this report.

No dividend was paid or proposed subsequent to the end of the reporting period and up to the date of this report.

16. EARNINGS PER SHARE

No earnings per share information is presented as its inclusion, for the purpose of the Financial Information, is not considered meaningful.

17. PLANT AND EQUIPMENT

	Furniture, fixtures and equipment	Leasehold Improvement	Total
	HK$'000	*HK$'000*	*HK$'000*
The Group			
COST			
At 1 April 2012	2,212	302	2,514
Additions	1,137	145	1,282
At 31 March 2013 and 1 April 2013	3,349	447	3,796
Exchange realignment	2	–	2
Additions	1,000	–	1,000
At 31 March 2014 and 1 April 2014	4,351	447	4,798
Exchange realignment	3	–	3
Additions	2,113	1,855	3,968
At 30 November 2014	6,467	2,302	8,769
ACCUMULATED DEPRECIATION			
At 1 April 2012	543	48	591
Charged for the year	592	116	708
At 31 March 2013 and 1 April 2013	1,135	164	1,299
Charged for the year	818	131	949
At 31 March 2014 and 1 April 2014	1,953	295	2,248
Charged for the period	747	399	1,146
At 30 November 2014	2,700	694	3,394
CARRYING VALUES			
At 31 March 2013	2,214	283	2,497
At 31 March 2014	2,398	152	2,550
At 30 November 2014	3,767	1,608	5,375

The above items of plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Furniture, fixtures and equipment	20%
Leasehold improvement	Over the shorter of term of the lease or 5 years

At 31 March 2013 and 2014 and 30 November 2014, the carrying value of asset held under a finance lease of the Group was approximately HK$55,000, HK$37,000 and HK$27,000 respectively.

18. INTERESTS IN ASSOCIATES

	At 31 March 2013	At 31 March 2014	At 30 November 2014
	HK$'000	*HK$'000*	*HK$'000*
The Group			
Costs of investments in associates			
Unlisted in Hong Kong	55	55	55
Share of post-acquisition profits and other comprehensive income	39	113	384
	94	168	439

As at 31 March 2013 and 2014 and 30 November 2014, the Group had interests in the following associates:

Name of entity	Form of entity	Place of incorporation/ operation	Class of shares held	Proportion of nominal value of issued capital held by the Group			Proportion of voting power held by the Group			Principal activities
				At 31 March 2013	At 31 March 2014	At 30 November 2014	At 31 March 2013	At 31 March 2014	At 30 November 2014	
Travellife Limited	Incorporated	Hong Kong	Ordinary	20%	20%	20%	20%	20%	20%	Provision of internet advertising services
bMedia Limited	Incorporated	Hong Kong	Ordinary	19.9%	19.9%	19.9%	19.9% *(note)*	19.9% *(note)*	19.9% *(note)*	Provision of internet advertising services
Qooza Interactive Limited	Incorporated	Hong Kong	Ordinary	13%	13%	13%	13% *(note)*	13% *(note)*	13% *(note)*	Provision of internet advertising services
Unwire Limited	Incorporated	Hong Kong	Ordinary	19.9%	19.9%	19.9%	19.9% *(note)*	19.9% *(note)*	19.9% *(note)*	Inactive

Note: The Group is able to exercise significant influence over the associates because it has the power to appoint one out of the five directors of the associates under the provisions stated in the shareholders' agreement of the associates.

All the Group's interests in associates are not individually material. The aggregate financial information and carrying amount of the Group's interests are accounted for using the equity method are set out below:

	Year ended 31 March		Eight months ended 30 November	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(Unaudited)	
The Group's share of profit (loss) and total comprehensive income (expense) for the year/period	(38)	74	194	271

	At 31 March		At 30 November
	2013	**2014**	**2014**
	HK$'000	*HK$'000*	*HK$'000*
Carrying amount of the Group's interests in these associates	94	168	439

The Group has stopped recognising its share of loss of an associate when applying the equity method. The unrecognised share of the associate are set out below:

	Year ended 31 March		Eight months ended 30 November	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(Unaudited)	
Unrecognised share of loss of an associate for the year/period	–	41	25	21

	At 31 March		At 30 November
	2013	**2014**	**2014**
	HK$'000	*HK$'000*	*HK$'000*
Accumulated unrecognised share of loss of an associate	–	41	62

19. INTANGIBLE ASSETS

	Development costs
	HK$'000
The Group	
COST	
At 1 April 2012	95
Additions	2,181
At 31 March 2013, 1 April 2013, 31 March 2014 and 1 April 2014	2,276
Additions	1,434
At 30 November 2014	3,710
AMORTISATION	
At 1 April 2012	–
Charged for the year	114
At 31 March 2013 and 1 April 2013	114
Charged for the year	455
At 31 March 2014 and 1 April 2014	569
Charged for the period	303
At 30 November 2014	872
CARRYING VALUES	
At 31 March 2013	2,162
At 31 March 2014	1,707
At 30 November 2014	2,838

The intangible assets are internally generated and have finite useful lives and amortised on a straight-line basis over 5 years.

20. TRADE AND BILLS RECEIVABLES

	At 31 March		At 30 November
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
The Group			
Trade receivables	28,205	40,249	48,830
Less: allowance for doubtful debts	(669)	(508)	(337)
	27,536	39,741	48,493
Bills receivables	–	–	1,169
	27,536	39,741	49,662

The Group allows an average credit period of 30-60 days to its customers. The Group does not hold any collateral over these balances.

Included in the Group's trade and bills receivables are debtors with aggregate carrying amount of approximately HK$19,484,000, HK$24,919,000 and HK$33,464,000 which are past due as at 31 March 2013 and 2014 and 30 November 2014 respectively for which the Group has not provided for impairment loss. The average age of these receivables is 83, 109, and 115 days as at 31 March 2013 and 2014 and 30 November 2014 respectively.

Ageing of trade debtors which are past due but not impaired were as follows:

	At 31 March		At 30 November
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Current	8,052	14,822	15,029
Overdue:			
– within 60 days	9,541	8,929	18,280
– 61-90 days	2,393	1,728	2,729
– 91-120 days	1,293	1,010	1,725
– Over 120 days	6,257	13,252	10,730
	19,484	24,919	33,464
	27,536	39,741	48,493

Receivables that were past due but not impaired related to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

Movement in the allowance for doubtful debts

	At 31 March		At 30 November
	2013	**2014**	**2014**
	HK$'000	*HK$'000*	*HK$'000*
Balance at beginning of the year/period	797	669	508
Amounts recovered during the year/period	–	–	(66)
Amount written off as uncollectible	(128)	(161)	(105)
Balance at end of the year/period	669	508	337

Included in the allowance for doubtful debts are individually impaired trade and bills receivables with an aggregate balance of approximately HK$669,000, HK$508,000, and HK$337,000 as at 31 March 2013 and 2014 and 30 November 2014 respectively since the management considered the prolonged outstanding balances were uncollectible.

Included in trade and bills receivables are the following amounts denominated in currencies other than the functional currency of the respective reporting entity of the Group:

	At 31 March		At 30 November
	2013	**2014**	**2014**
	HK$'000	*HK$'000*	*HK$'000*
USD	537	200	285
RMB	7,066	12,207	9,605

21. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	At 31 March		At 30 November
	2013	**2014**	**2014**
	HK$'000	*HK$'000*	*HK$'000*
The Group			
Deposits	286	3,152	2,361
Prepayments	1,220	3,650	4,205
Other receivables	825	1,297	1,446
	2,331	8,099	8,012

22. AMOUNTS DUE FROM RELATED COMPANIES

	At 31 March		At 30 November	Maximum amount outstanding		
				Year ended 31 March		Eight months ended 30 November
	2013	2014	2014	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
The Group						
iMinds HK	2,655	–	–	2,655	2,655	–
Pure Force Investments Limited ("Pure Force")	–	9	9	–	9	9
	2,655	9	9			

During the year ended 31 March 2013, iMinds HK is wholly-owned by Jeff Ng, the director of the Company. During the year ended 31 March 2014, iMinds HK became a wholly-owned subsidiary of the Company.

During the year ended 31 March 2014 and eight months ended 30 November 2014, Pure Force was wholly-owned by Harry Wong, one of significant shareholders of the Company.

The amounts are unsecured, interest-free and repayable on demand.

23. AMOUNTS DUE FROM ASSOCIATES/SHAREHOLDERS

The Group

The amounts are unsecured, interest-free and repayable on demand.

24. HELD-TO-MATURITY INVESTMENTS

	At 31 March		At 30 November
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
The Group			
Held-to-maturity investments consist of:			
– certificate of deposit	–	5,033	–

At 31 March 2014, held-to-maturity investments represented a deposit with fixed interest of 3.24% per annum and denominated in RMB which other than functional currency of the respective reporting entity of the Group. The investments matured on 7 August 2014.

25. RESTRICTED BANK BALANCE/BANK BALANCES AND CASH

The Group

At 31 March 2013 and 2014 and 30 November 2014, the bank balances and cash of the Group denominated in RMB were amounted to approximately HK$5,959,000, HK$2,526,000 and HK$6,375,000 respectively. RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business. Cash at banks earns interest at floating rates based on daily bank deposit rates.

At 31 March 2013 and 2014 and 30 November 2014, the restricted bank balance carried prevailing market interest rate at 1.5% per annum and represented the deposit for performance guarantee issued by bank to a supplier.

Included in bank balances and cash are the following amounts denominated in currencies other than the functional currency of the respective reporting entities of the Group:

	At 31 March		At 30 November
	2013	**2014**	**2014**
	HK$'000	*HK$'000*	*HK$'000*
USD	313	377	187
RMB	5,570	1,795	6,047

26. TRADE AND OTHER PAYABLES

	At 31 March		At 30 November
	2013	**2014**	**2014**
	HK$'000	*HK$'000*	*HK$'000*
The Group			
Trade payables	6,790	8,312	9,482
Other payables	345	412	348
	7,135	8,724	9,830

The following is an aged analysis of trade payables presented based on the invoice date at end of the reporting period.

	At 31 March		At 30 November
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Within 30 days	2,691	2,493	4,688
31 to 60 days	335	117	122
Over 60 days	3,764	5,702	4,672
	6,790	8,312	9,482

The trade payables were due according to the terms stated in the relevant contracts. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

Included in the balances of the trade payables as at 31 March 2013 and 2014 and 30 November 2014, aggregate balances of approximately HK$249,000, HK$100,000,and HK$269,000 respectively were payables to the associates of the Group, arising from acquisition of services in general trade credit term.

Included in trade payables are the following amounts denominated in currencies other than the functional currency of the respective reporting entity of the Group:

	At 31 March		At 30 November
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
USD	77	42	–
RMB	344	170	620

27. AMOUNT DUE TO A SUBSIDIARY

The Company

At 30 November 2014, the amount is unsecured, interest-free and repayable on demand.

28. OBLIGATION UNDER A FINANCE LEASE

	Minimum lease payments			Present value of minimum lease payments		
	At 31 March		At 30 November	At 31 March		At 30 November
	2013	2014	2014	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
The Group						
Amounts payable under finance lease:						
Within one year	21	21	21	19	20	21
After one year but within two years	21	17	4	20	16	2
After two years but within five years	17	–	–	16	–	–
	59	38	25	55	36	23
Less: Future finance charges	(4)	(2)	(2)			
Present value of lease obligations	55	36	23			
Less: Amount due for settlement within 12 months (shown under current liabilities)				(19)	(20)	(21)
Amounts due for settlement after 12 months				36	16	2

It is the Group's policy to lease certain of its plant and equipment under a finance lease. The lease term is 5 years for the years ended 31 March 2013 and 2014 and eight months ended 30 November 2014. The lease is on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Interest rate underlying the obligation under a finance lease is fixed at the contract date at approximately 4.60%.

29. DEFERRED TAX LIABILITIES

The Group

The following are the major deferred tax liabilities recognised and movements thereon during the Track Record Period:

	Accelerated tax depreciation *HK$'000*
At 1 April 2012	277
Charged to profit or loss for the year *(note 13)*	453
At 31 March 2013 and 1 April 2013	730
Credit to profit or loss for the year *(note 13)*	(138)
At 31 March 2014 and 1 April 2014	592
Charged to profit or loss for the period *(note 13)*	586
At 30 November 2014	1,178

At 31 March 2013 and 2014 and 30 November 2014, the Group has unused estimated tax losses of approximately HK$244,000, HK$2,932,000 and HK$3,230,000 respectively. No deferred tax asset has been recognised in respect of such tax losses at the end of the reporting dates due to the unpredictability of future profits streams. All unrecognised tax losses will expire after five years from the year of assessment to which they relate to.

Under the EIT law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the combined financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to nil, nil and approximately HK$1,623,000 as at 31 March 2013 and 2014 and 30 November 2014, respectively, as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

30. SHARE CAPITAL

The Group

For the purpose of presenting the share capital of the Group prior to the Reorganisation in the combined statements of financial position, the balance as at 31 March 2013 represented the share capital of AdBeyond BVI. The share capital presented in the combined statements of financial position as at 31 March 2014 and 30 November 2014 represented the combined share capital of the Company and AdBeyond BVI.

The Company was incorporated on 10 January 2014 and had an authorised share capital of HK$390,000 divided into 39,000,000 ordinary shares of par value of HK$0.01. On the same date, one share of par value of HK$0.01 was allotted and issued at nil-paid to the initial subscriber and then transferred to Mr. Jeff Ng on the same date.

At 1 April 2012, share capital of AdBeyond HK amounted to HK$20,942, representing 20,942 ordinary shares in issue of HK$1 each credited as fully paid.

On 23 August 2012, AdBeyond BVI was incorporated in the BVI with limited liability with an authorised share capital of HK$500,000 divided into two classes, 250,000 ordinary shares and 250,000 preference shares of HK$1 each. At the time of its incorporation, 20,942 ordinary shares of HK$1 each were issued at par for cash to Mr. Yip Shek Lun, Ms. Wan Wai Ting, Mr. Ng Chi Fung, Ms. Wang Lai Man, Liza, Mr. Wong Yuet Yeung, Harry and Mr. Yu Wai Kei who were also the shareholders of AdBeyond HK (the "Shareholders").

On 5 September 2012, the Shareholders transferred all the issued shares in AdBeyond HK they held to AdBeyond BVI at a consideration equal to the nominal value of such shares which is same as the issued share capital of AdBeyond BVI. No merger reserve therefore arose.

On 30 November 2012, AdBeyond BVI issued 987 and 10,320 preference shares of HK$ 1 each, for cash consideration of HK$1 each and approximately HK$4,325.24 each respectively to three investors with share premium of approximately HK$44,626,000. The paid-in share capital of AdBeyond BVI was increased from HK$20,942 to HK$32,249. At 31 March 2013 and 31 March 2014, share capital of AdBeyond BVI amounted to HK$32,249.

The Company

Details of the share capital of the Company are as follows:

	Number of shares	Amount	Shown in the Financial Information
		HK$	*HK$'000*
Ordinary shares of HK$0.01 each			
Authorised:			
At 10 January 2014 (date of incorporation), 31 March 2014 and 30 November 2014	39,000,000	390,000	
Issued and allotted:			
At 10 January 2014 (date of incorporation), 31 March 2014 and 30 November 2014	1	0.01	–

31. RESERVE OF THE COMPANY

	Accumulated loss
	HK$'000
At 10 January 2014 (date of incorporation) and 31 March 2014	–
Loss for the period	(106)
At 30 November 2014	(106)

32. ACQUISITION OF SUBSIDIARIES

On 7 March 2014, the Group has entered into a sale and purchase agreement with a director of the Company, Jeff Ng, in connection with the acquisition of 100% equity interest of iMinds BVI and its wholly-owned subsidiary, iMinds HK (collectively referred to as "iMinds Group") for a cash consideration of HK$1. iMinds Group is principally engaged in provision of digital advertisement placement services. iMinds Group was acquired so as to continue the expansion of the Group digital advertisement placement services. The acquisition of iMinds Group was completed on 7 March 2014.

	HK$'000
Cash consideration transferred	–

Acquisition-related costs amounting to approximately HK$1,000 have been excluded from the consideration transferred and have been recognised as an expense in the current year, within the administrative expenses in the combined statement of profit or loss and other comprehensive income.

Assets acquired and liabilities recognised at the date of acquisition are as follows:

	HK$'000
Trade receivables	1,515
Deposits, prepayments and other receivables	886
Bank balances and cash	1,115
Other payables	(870)
Receipt in advance	(13)
Amount due to a related company	(2,655)
	(22)

The carrying amounts of trade receivables and deposits, prepayments and other receivables at the date of acquisition approximate to their corresponding fair values due to short-term maturity.

Goodwill arising on acquisition

	HK$'000
Consideration transferred	–
Less: net liabilities acquired	(22)
Goodwill arising on acquisition	(22)

During the year ended 31 March 2014, the Group immediately recognised a write off of approximately HK$22,000 on the goodwill due to the unfavorable profit stream of iMinds Group in the foreseeable future.

Net cash inflow on acquisition of iMinds Group

	HK$'000
Consideration transferred	–
Less: Cash and cash equivalent balances acquired	(1,115)
	(1,115)

Included in the profit for the year is loss of approximately HK$3,000 attributable to the additional business generated by iMinds Group. Revenue for the year includes approximately HK$51,000 generated from iMinds Group. Had the acquisition been completed on 1 April 2013, total group revenue for the year which have been approximately HK$114,695,000, and profit for the year would have been approximately HK$4,352,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2013, nor is it intended to be a projection of future results.

33. OPERATING LEASE

The Group as lessee

Minimum lease payments paid under operating leases for premises during the years ended 31 March 2013 and 2014 and the eight months ended 30 November 2013 and 2014 were approximately HK$2,497,000, HK$3,652,000, HK$2,307,000 and HK$3,710,000 respectively.

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	At 31 March		**At 30 November**
	2013	**2014**	**2014**
	HK$'000	*HK$'000*	*HK$'000*
Within one year	429	7,076	6,936
In the second to fifth year inclusive	–	10,972	8,261
	429	18,048	15,197

Operating lease payments represent rentals payable by the Group for its office premises. Leases and rentals are negotiated and fixed for three years.

34. CAPITAL COMMITMENTS

	At 31 March 2013	At 31 March 2014	At 30 November 2014
	HK$'000	*HK$'000*	*HK$'000*
The Group			
Capital expenditure in respect of acquisition of plant and equipment contracted but not provided in the combined financial statements	–	1,552	–

35. RETIREMENT BENEFITS PLAN

Hong Kong

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. Under the MPF Scheme, the Group is required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$20,000. Starting from 1 June 2012, the cap is revised to monthly relevant income of HK$25,000. From 1 June 2014, the cap is revised to monthly relevant income of HK$30,000. Contributions to the scheme vest immediately. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees.

The PRC

The employees of the Group's subsidiary in the PRC are members of a state-managed retirement benefit scheme operated by the government of the PRC. The Group is required to contribute a specified percentage of the payroll of its employees to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The total cost charged to profit or loss of approximately HK$1,170,000, HK$1,506,000, HK$974,000 and HK$1,245,000 for the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014, respectively, represents contributions payable to this scheme.

36. RELATED PARTY TRANSACTIONS

(a) Transactions

During the years ended 31 March 2013 and 2014 and eight months ended 30 November 2013 and 2014, the Group entered into the following transactions with related parties:

Name of the related party	Relationship	Nature of transactions	Year ended 31 March 2013	Year ended 31 March 2014	Eight months ended 30 November 2013	Eight months ended 30 November 2014
			HK$'000	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
iMinds HK	Common shareholder	Service income	1,290	1,138	479	–
Qooza Interactive Limited	Associate	Cost of services	1,169	557	455	246
Travellife Limited	Associate	Cost of services	103	89	42	7
bMedia Limited	Associate	Cost of services	518	342	144	243

The above transactions were carried out at terms determined and agreed by the Group and the relevant parties.

(b) Balances

Details of the Group's non-trade outstanding balances with related parties are set out in the combined statement of financial position and in notes 22 and 23.

Details of the Group's trade outstanding balances with related parties are set out in the combined statements of financial position and in note 26.

(c) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the respective reporting periods were as follows:

	Year ended 31 March		**Eight months ended 30 November**	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000* *(Unaudited)*	*HK$'000*
Short-term benefits	506	3,849	2,557	2,589
Post-employment benefits	15	75	50	60
	521	3,924	2,607	2,649

B. EVENTS AFTER THE END OF THE REPORTING PERIOD

i. Reorganisation

The companies comprising the Group underwent a reorganisation to rationalise the Group's structure in preparation for **[REDACTED]** of the Company's shares on the Stock Exchange. Details of the Reorganisation are set out in the section headed "History, Development and Reorganisation – Reorganisation" in the Document. As a result of the Reorganisation, the Company became the holding company of the Group on ***[DATE]***.

ii. Share option scheme

Pursuant to shareholders' written resolution passed on 23 March 2015, a share option scheme has been conditionally adopted by the Company (the "Share Option Scheme"). The principle terms of the Share Option Scheme are summarised in "Statutory and General Information – D. Share Option Scheme" in Appendix IV to this document. No share option has been granted under the Share Option Scheme up to the date of this report.

C. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Group, the Company or any of the companies comprising the Group in respect of any period subsequent to the eight months ended 30 November 2014.

Yours faithfully,

SHINEWING (HK) CPA Limited
Certified Public Accountants
Chan Wing Kit
Practising Certificate Number: P03224
Hong Kong