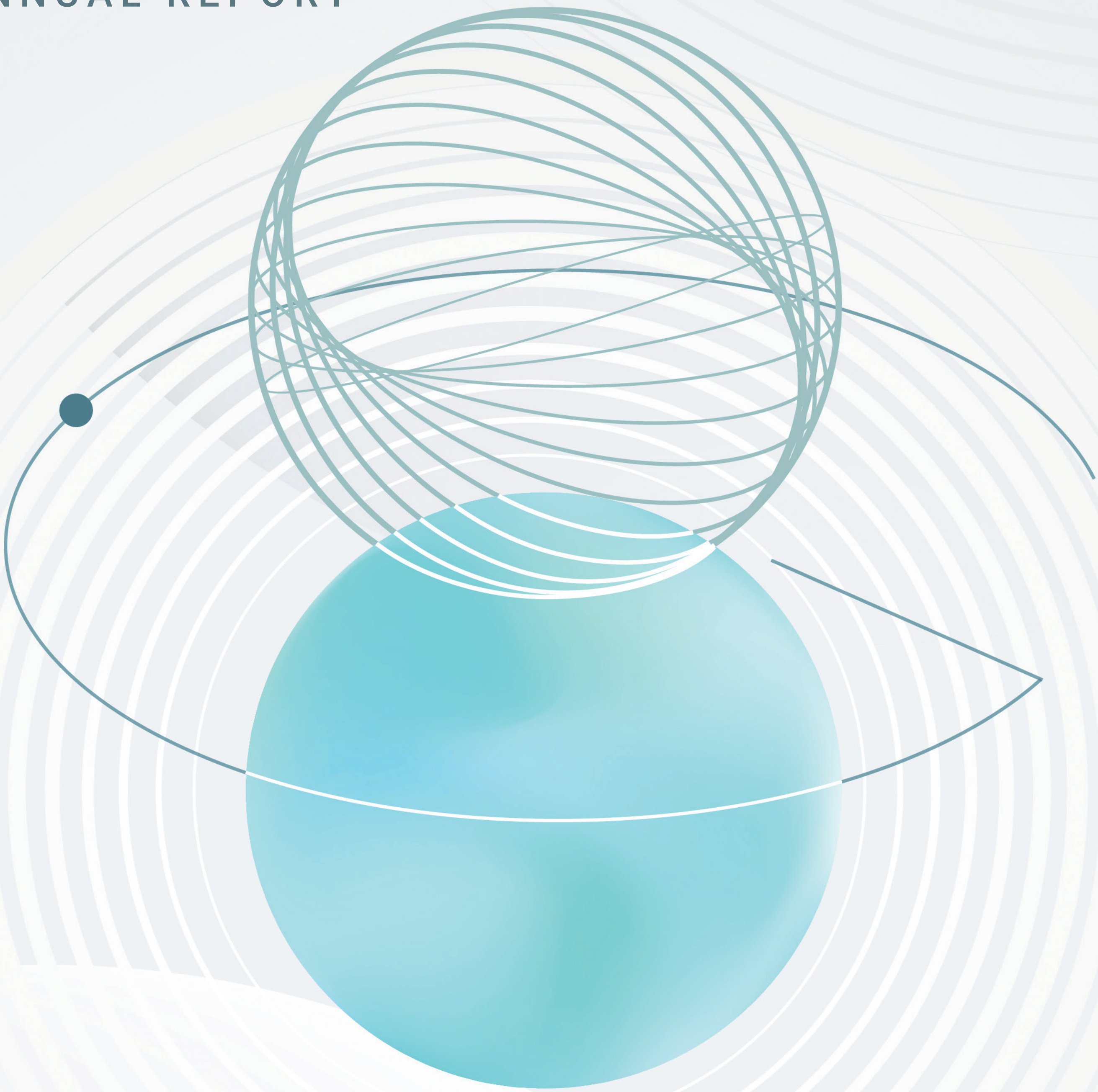
GURU 2025

ANNUAL REPORT



Connecting Brands to Tomorrow's Audiences

GUOEN HOLDINGS LIMITED

國恩控股有限公司

INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY | STOCK CODE: 8121

PRINTED WITH SOY INK

FSC
www.fsc.org
MIX
Paper | Supporting responsible forestry
FSC® C157924

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

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

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

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

*This annual report, for which the directors (collectively the "**Directors**" and each the "**Director**") of Guoen Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**", "**we**", "**our**" or "**us**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this annual report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this annual report misleading.*

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Yin Di
(Chairman and chief executive officer)
Mr. Yip Shek Lun
Mr. Ng Chi Fung
Ms. Wan Wai Ting
Mr. Liu Liping

Independent non-executive Directors

Mr. Hong Ming Sang
Mr. Bian Wencheng
Ms. Fu Hongzhi

AUTHORISED REPRESENTATIVES

Mr. Yip Shek Lun
Ms. Kwok Wai Chun
(resigned with effect from 7 February 2025)
Ms. Tse Sau San
(appointed with effect from 7 February 2025)
(resigned with effect from 30 May 2025)
Mr. Yuen Sing Wai Lester
(appointed with effect from 30 May 2025)

COMPANY SECRETARY

Ms. Kwok Wai Chun
(resigned with effect from 7 February 2025)
Ms. Tse Sau San
(appointed with effect from 7 February 2025)
(resigned with effect from 30 May 2025)
Mr. Yuen Sing Wai Lester
(appointed with effect from 30 May 2025)

AUDIT COMMITTEE

Ms. Fu Hongzhi *(Chairman)*
Mr. Hong Ming Sang
Mr. Bian Wencheng

REMUNERATION COMMITTEE

Mr. Hong Ming Sang *(Chairman)*
Mr. Yip Shek Lun
Ms. Fu Hongzhi

NOMINATION COMMITTEE

Ms. Fu Hongzhi *(Chairman)*
Mr. Yip Shek Lun
Mr. Bian Wencheng

REGISTERED OFFICE

Windward 3
Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1201 & 16, 12/F, Two Harbour Square
No. 180 Wai Yip Street
Kwun Tong
Hong Kong

PRINCIPAL BANKER

Hang Seng Bank Limited
83 Des Voeux Road Central
Hong Kong

CORPORATE INFORMATION

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Ocorian Trust (Cayman) Limited
Windward 3
Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

LEGAL ADVISERS TO THE COMPANY

As to Hong Kong law:

ONC Lawyers
19th Floor, Three Exchange Square
8 Connaught Place
Central
Hong Kong

As to PRC law:

Beijing Pacific ZhongZheng Law Firm
West 6-5D, Century Jin Yuan Hotel
69 Board Well Road
Haidian District, Beijing
People's Republic of China

As to Cayman Islands law:

Appleby
2206–19 Jardine House
1 Connaught Place
Central
Hong Kong

AUDITOR

SHINEWING (HK) CPA Limited
Certified Public Accountants
17/F, Chubb Tower, Windsor House
311 Gloucester Road, Causeway Bay
Hong Kong

STOCK CODE

8121

COMPANY'S WEBSITE

www.guruonline.com.hk

CHAIRMAN'S STATEMENT

CHAIRMAN'S STATEMENT

Dear Shareholders,

I am honored to present the Company's annual report for the year ended 31 March 2025 (the "**Year**"). Throughout this Year, the rapidly changing market environment and ongoing strategic challenges have continued to shape new directions for the future development of our Group.

Reflecting on the past year, the Group observed a persistent slowdown in Hong Kong's retail market, which has further impacted the demand for local digital marketing services and continued to influence our clients' advertising investments and budget decisions. The rapid advancement of artificial intelligence technology has, in the short term, enabled us to enhance operational efficiency and alleviate pressure from rising labor costs and wages. However, in the long term, the widespread adoption of artificial intelligence may lead brand owners to gradually internalize more marketing functions, reducing their dependence on external marketing service providers, including our Group. This presents new challenges for us.

Despite ongoing market challenges, the Group remains committed to delivering high-quality services and has continuously achieved industry-wide recognition through innovative solutions. During the Year, the Group received 2024 Morketing Awards – Marketing Strategy Bronze Prize ("2024年Morketing靈眸獎－營銷策略組銅獎") and Branding Gold Prize ("2024年Morketing靈眸獎－品牌案例組金獎"). We will continue to uphold our core values and business philosophy by providing clients with efficient and creative marketing and promotional solutions, assisting them in achieving sustainable development.

Given the recent challenges in the global trade environment and potential impacts from new tariffs, we currently have no plans to expand our business or operations beyond China. Looking forward, the Group will persist in our strategic transformation, carefully evaluating opportunities to divest certain digital marketing businesses that may face significant challenges or difficulties in the future, while cautiously exploring new opportunities. We intend to further leverage our strategic position in Shandong as a hub for our non-marketing businesses in Mainland China, continually assessing opportunities in emerging technology sectors to uncover growth potential and generate long-term sustainable momentum for the Company.

Finally, on behalf of the Board, I would like to extend our sincere gratitude to all our dedicated employees, shareholders, investors, customers, suppliers, and business partners. Let us work hand in hand to navigate the evolving market landscape, seize new opportunities, and drive continued growth and success for our Company.

Yin Di
Chairman of the Board, chief executive officer and Executive Director
19 June 2025

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

The Group is principally engaged in the provision of integrated digital marketing services in Hong Kong. To formulate and implement marketing strategies and launch marketing campaigns for its customers, the Group mainly utilises digital media such as social media platforms, apps, mobile sites and websites. The goal of the Group is to become a sizeable and influential Internet enterprise and to enable our customers to promote their businesses in different areas of the world through the power and reach of the Internet.

BUSINESS REVIEW

The Group offers a range of integrated digital marketing services, including (i) social media management services; (ii) digital advertisement placement services; and (iii) creative and technology services.

The Group has maintained a balanced portfolio and diversified revenue stream, and the performance of social media management services and creative and technology services recovered attributed to the reopening of the border. However, it is foreseeable that the demand for Hong Kong clients will decrease due to the reallocation of advertising investment and budgets. This is primarily driven by shifts in consumer behavior, in which the pattern of mainland Chinese tourists spending in Hong Kong has transformed, with Hong Kong tourists now venturing north to mainland cities like Shenzhen for their consumption needs.

At the same time, the Group is encountering increasing competition as barriers to in-house advertising creation and brand image marketing have decreased with the adoption of AI tools. This trend has led to cost reductions, with a growing number of clients opting to employ internal staff for their advertising and social media management needs. Furthermore, we foresee a continuous rise in labor costs and wages in the foreseeable future, adding to the operational challenges faced by businesses in our sector.

The Group has been providing various products and services, such as Chatbot, Big Data, and video solutions, to keep up with the latest consumer trends. The Group has also been improving related technologies to assist customers in launching AR online promotion projects on social media platforms. These efforts have allowed consumers to experience and understand product information in a more practical way, leading to an increase in online sales.

In conclusion, while we have experienced some positive trends in our business this year, we are mindful of the evolving landscape shaped by technological advancements, changing consumer preferences, and competitive pressures. Our focus remains on adapting to these changes, enhancing our service offerings, and maintaining operational efficiency to navigate through these challenges successfully.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue and gross profit

The Group's revenue was generated from the integrated digital marketing business which is divided into provision of (i) social media management services; (ii) digital advertisement placement services; and (iii) creative and technology services. For the Year, our total revenue amounted to approximately HK$161.35 million (2024: approximately HK$116.13 million).

For the Year, our revenue generated from (i) social media management services amounted to approximately HK$28.21 million (2024: approximately HK$28.33 million), representing approximately 17.48% of our total revenue (2024: approximately 24.39%); (ii) digital advertisement placement services amounted to approximately HK$11.45 million (2024: approximately HK$9.08 million), representing approximately 7.10% of our total revenue (2024: approximately 7.82%); and (iii) creative and technology services amounted to approximately HK$121.69 million (2024: approximately HK$78.73 million), representing approximately 75.42% of our total revenue (2024: approximately 67.79%).

Overall, our total revenue increased by approximately 38.94% from approximately HK$116.13 million for the year ended 31 March 2024 to approximately HK$161.35 million for the Year. The increase in total revenue was mainly attributable to the increase in revenue from creative and technology services and digital advertising placement services, partially offset by the decrease in revenue from social media management services for the Year. The gross profit decreased from approximately 22.40% to 15.57%. Besides, due to the increase in operation costs incurred in cost of services, the Group's gross profit decreased from approximately HK$26.02 million for the year ended 31 March 2024 to approximately HK$25.12 million for the Year.

Other income or gains, net

Our other income or gains increased by approximately HK$0.25 million from approximately HK$0.32 million for the year ended 31 March 2024 to approximately HK$0.57 million for the Year, which was mainly attributable to the increase in gain on sales of trading merchandises.

Selling expenses

Our selling expenses increased by approximately HK$0.58 million from approximately HK$4.90 million for the year ended 31 March 2024 to approximately HK$5.48 million for the Year, which was mainly attributable to the increase in marketing-related expenses. Our selling expenses mainly comprised staff costs, sales commission and marketing-related expenses.

Staff costs

Our staff costs mainly comprised the salaries and performance bonus payable to the Directors, service teams, executives and staff of the Group, as well as payments to the Mandatory Provident Fund Scheme.

For the year ended 31 March 2024 and the Year, our staff cost under selling expenses amounted to approximately HK$2.20 million and HK$1.78 million, representing approximately 1.89% and 1.10% of our revenue, respectively.

Sales commission

For the year ended 31 March 2024 and the Year, our sales commission amounted to approximately HK$1.33 million and HK$1.57 million, representing approximately 1.15% and 0.97% of our total revenue, respectively.

Marketing-related expenses

For the year ended 31 March 2024 and the Year, our marketing-related expenses amounted to approximately HK$1.37 million and HK$2.13 million, representing approximately 1.18% and 1.32% of our revenue, respectively.

Administrative expenses

Our administrative expenses increased by approximately HK$2.66 million from approximately HK$18.63 million for the year ended 31 March 2024 to approximately HK$21.29 million for the Year. Our administrative expenses mainly comprised administrative staff costs, foreign exchange loss, depreciation of right-of-use assets, utility expenses, building management fees, recruitment-related expenses and legal and professional fees. The increase in our administrative expenses for the Year was mainly due to the increase in administrative staff costs.

Finance costs

Our finance costs amounted to approximately HK$0.25 million for the Year (2024: approximately HK$0.19 million). This item comprised interest expense on lease liabilities and imputed interest expense on non-current interest-free loan from a shareholder.

Income tax expense

The income tax expense increased from nil for the year ended 31 March 2024 to approximately HK$0.07 million for the Year, which was mainly attributable to the increase in PRC Enterprise Income Tax for the Year.

Profit or loss for the Year attributable to owners of the Company

For the Year, loss attributable to owners of the Company amounted to approximately HK$1.09 million, as compared to profit attributable to owners of the Company which amounted to approximately HK$3.17 million for the year ended 31 March 2024. The decrease in profit attributable to owners of the Company was mainly due to (i) a decrease in gross profit due to an increase in operation costs incurred in cost of services; (ii) an increase in marketing-related expenses incurred in selling expenses; and (iii) an increase in staff costs incurred in administrative expenses during the Year.

USE OF PROCEEDS FROM RIGHTS ISSUE

On 20 September 2024, the Company raised gross proceeds of approximately HK$17.3 million by way of issue of 16,672,000 rights shares, at the subscription price of HK$1.04 per right share on the basis of two (2) rights issues for every one (1) share of the Company held by the qualifying shareholders on the record date. Upon completion of the rights issues, the Company received net proceeds of approximately HK$15.2 million (the "**Net Proceeds**"). The Company intended to apply the Net Proceeds as to: (i) approximately HK$6.0 million for the development of the on-line advertisement business based in the PRC; (ii) approximately HK$4.0 million for the development of the Group's digital social media management services and marketing services for the Group's potential customers; and (iii) approximately HK$5.2 million for general working capital of the Group. For reasons for the rights issue and further details, please refer to the Company's prospectus dated 29 August 2024 (the "**2024 Prospectus**").

The following table sets forth the information in relation to the use of the Net Proceeds raised from the rights issue as at 31 March 2025:

	Intended use of Net Proceeds as disclosed in the 2024 Prospectus HK$ million	**Actual utilised of Net Proceeds as at 31 March 2025** HK$ million	**Net Proceeds utilised during the Year** HK$ million	**Unutilised Net Proceeds as at 31 March 2025** HK$ million	**Expected timeline for utilising the remaining Net Proceeds**
Development of the on-line advertisement business based in the PRC	6.0	1.5	1.5	4.5	On or before 31 March 2027
Development of digital social media management services and marketing services for the potential customers	4.0	1.3	1.3	2.7	On or before 31 March 2027
General working capital	5.2	–	–	5.2	On or before 31 March 2027
Total	15.2	2.8	2.8	12.4	

LIQUIDITY AND CAPITAL RESOURCES

As at 31 March 2025, the Group's current ratio was 1.92, compared to 1.55 as at 31 March 2024. The increase in current ratio was mainly due to increase in bank balances and cash and trade receivables. As at 31 March 2025, the Group's bank balances and cash amounted to approximately HK$29.39 million (2024: approximately HK$20.96 million).

The total interest-bearing loans and borrowings (interest-bearing bank borrowings and bank overdrafts) of the Group as at 31 March 2025 were nil (2024: Nil).

During the Year, the Group did not experience any withdrawal of facilities, default in payment of trade and other payables, bank borrowing or breach of financial covenants. As at 31 March 2025, the Group had amount due to a shareholder of approximately HK$2.09 million (2024: approximately HK$0.71 million). The Group does not have a foreign currency hedging policy. However, we monitor our exposure to foreign currency risk on an ongoing basis and would consider hedging against significant foreign currency exposure as and when necessary. The Group's financial position remained solid and we have sufficient bank balances and cash denominated in RMB to meet our foreign exchange liabilities as they become due.

CAPITAL STRUCTURE

On 29 May 2015 (the "**Listing Date**"), the shares of the Company (the "**Shares**") were successfully listed on GEM of the Stock Exchange. The Group's equity consists only of ordinary shares.

On 16 July 2021, the Company implemented the share consolidation on the basis that every ten (10) issued and unissued shares of HK$0.01 each in the share capital of the Company were consolidated into one (1) consolidated share of HK$0.10 each. After the share consolidation on 16 July 2021, the total number of issued shares of the Company was adjusted from 1,667,200,000 to 166,720,000, and there was no change to the amount of share capital and share premium of the Company.

On 26 April 2024, the Company implemented the share consolidation on the basis that every twenty (20) issued and unissued shares of HK$0.10 each in the share capital of the Company were consolidated into (1) consolidated share of HK$2.00 each. After the share consolidation on 26 April 2024, the total number of issued shares of the Company was adjusted from 166,720,000 to 8,336,000, and there was no change to the amount of share capital and share premium of the Company.

On 9 July 2024, the Company implemented the capital reduction and sub-division, pursuant to which the par value of each issued consolidated share of HK$2.00 each was reduced from HK$2.00 to HK$0.01 by cancelling the paid-up share capital to the extent of HK$1.99 per issued consolidated share. After the capital reduction and sub-division on 9 July 2024, the total number of issued shares of the Company remains to be 8,336,000, the issued and unissued shares of HK$2.00 each in the share capital of the Company were adjusted to HK$0.01 each, and the amount of share capital of the Company was adjusted to HK$83,360.

On 20 September 2024, the Company completed a rights issue and issued 16,672,000 rights shares with par value of HK$0.01 each at a subscription price of HK$1.04 per rights share on the basis of two (2) rights shares for every one (1) share of the Company held by the qualifying shareholders on the record date.

As at 31 March 2025, the Company's issued share capital amounted to HK$250,080 and the number of issued ordinary shares was 25,008,000 with a par value of HK$0.01 (2024: Share capital amounted to HK$16,672,000 and the number of issued ordinary shares was 166,720,000 with a par value of HK$0.1).

During the Year, the Company did not hold or sell any treasury shares.

Our contract commitments mainly involve leases of office properties.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save for the business plan as disclosed in the prospectus of the Company dated 22 May 2015 (the "**Prospectus**"), 2024 Prospectus or otherwise disclosed in this annual report, the Group did not have any future plans for material investments or capital assets as at 31 March 2025.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the Year, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

SIGNIFICANT INVESTMENTS HELD

Investment property

As at 31 March 2025, the Group had investment property measured at cost less accumulated depreciation and impairment, and the aggregate carrying amount of which amounted to approximately HK$1.11 million (2024: approximately HK$1.15 million), representing approximately 1.27% of total assets (2024: approximately 1.69%). As at 31 March 2025, the Group's investment property consisted of 1 car park space (2024: 1 car park space). The fair value of the investment property as at 31 March 2025 was approximately HK$1.37 million (2024: approximately HK$2.20 million). The Group intends to hold the investment property for capital appreciation. The details of investment property is set out in note 18 to the consolidated financial statements.

Financial assets at fair value through profit or loss

The following table sets out the particulars and movement of our financial assets at fair value through profit or loss at the end of the reporting period:

Name/fund details	Nature of business	Number of shares held as at 31 March 2025	Carrying amount as at 1 April 2024	Acquisition during the Year	Disposal during the Year	Unrealised gain (loss) on change in fair value during the Year	Realised gain on disposal during the Year	Carrying amount as at 31 March 2025	Percentage to the Group's total assets as at 31 March 2025	Dividend received during the Year
			HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000		HK$'000
Hong Kong Exchange and Clearing Limited	Note A	1,000	1,025	–	(1,145)	205	259	344	0.39%	20
Meituan	Note B	1,000	1,258	–	(1,738)	(145)	781	156	0.18%	–
WuXi Biologics (Cayman) Inc.	Note C	40,000	–	703	–	379	–	1,082	1.24%	–
Bilibili Inc.	Note D	4,200	–	697	–	(72)	–	625	0.71%	–
Listed equity security			2,283	1,400	(2,883)	367	1,040	2,207	2.52%	20
Total			2,283	1,400	(2,883)	367	1,040	2,207	2.52%	20

Notes:

A. Hong Kong Exchange and Clearing Limited ("**HKEx**") is a recognised exchange controller under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). HKEx operates the only recognised stock and futures markets in Hong Kong through its wholly-owned subsidiaries and is the frontline regulator of listed issuers in Hong Kong.

B. Meituan is a Chinese technology platform that provides various online services and operates in multiple business sectors.

C. WuXi Biologics (Cayman) Inc. is a company incorporated in the Cayman Islands with limited liability. It is a global biologics organization conducting research, development, and manufacturing, offering end-to-end solutions for biologics discovery, development, and manufacturing to clients involved in the biologics industry.

D. Bilibili Inc. is a company incorporated in the Cayman Islands with limited liability. It is an iconic brand and a leading video community for young generations, providing online entertainment services to users in China.

The investments above include investments in quoted equity securities that offer the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate. The fair values of these are based on closing quoted market prices on the last market day of the reporting date.

Save as disclosed above and the investments in subsidiaries and associates by the Company, the Group did not hold any significant investments during the Year.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 March 2025 (2024: Nil).

CHARGE OF ASSETS

The Group did not have any charges on its assets as at 31 March 2025 (2024: Nil).

COMMITMENTS

As at 31 March 2025, the Group had no material commitment (2024: Nil).

FOREIGN EXCHANGE EXPOSURE

As at 31 March 2025, the Group had a portion of its bank deposits denominated in RMB. The Group does not have a foreign currency hedging policy but the management of the Group monitors the Group's exposure to foreign currency risk and would consider taking appropriate actions when necessary. The above-mentioned bank deposits denominated in RMB amounted to approximately HK$0.64 million as at 31 March 2025 (2024: approximately HK$2.39 million).

GEARING RATIO

As at 31 March 2025, the Group did not have any interest-bearing debt and hence gearing ratio was not applicable (2024: Nil).

DIVIDEND

The Board has resolved not to recommend a final dividend for the Year (2024: Nil).

TREASURY POLICIES

The Group has adopted a conservative approach towards its treasury policies. The credit risk facing the Group is primarily attributable to trade receivables, deposits and other receivables, amount due from an associate and bank balances. In order to minimise the credit risk, the management of the Group regularly reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. Through these actions, the Directors considered that the Group's credit risk on trade debts has been significantly reduced. Our concentration of credit risk by geographical locations was mainly in Hong Kong, which accounted for approximately 98% and 95% of the total trade receivables as at 31 March 2025 and 2024, respectively.

Amount due from an associate is continuously monitored by assessing the creditworthiness of the counterparty, taking into account its financial position, payment history and other factors. Where necessary, an impairment loss is made for estimated irrecoverable amount. The credit risk on bank balances and equity investments is considered to be limited because the counterparties were banks and large corporations, respectively, with high credit ratings assigned by international credit-ratings agencies. None of the Group's financial assets were secured by collateral or other credit enhancements.

FINANCIAL KEY PERFORMANCE INDICATORS

For the Year, our total revenue amounted to approximately HK$161.35 million (2024: approximately HK$116.13 million). Loss attributable to owners of the Company amounted to approximately HK$1.09 million for the Year (2024: profit attributable to owners of the Company amounted to approximately HK$3.17 million). Loss per share attributable to owners of the Company for the Year was HK0.06 cents (2024: profit per share attributable to owners of the Company was HK0.26 cents).

During the Year, the Group recorded a loss mainly due to (i) a decrease in gross profit due to an increase in operation costs incurred in cost of services; (ii) an increase in marketing-related expenses incurred in selling expenses; and (iii) an increase in staff costs incurred in administrative expenses during the Year.

As at 31 March 2025, the current ratio was approximately 1.92 (2024: approximately 1.55). The Group did not have any interest-bearing debt and hence gearing ratio was not applicable as at 31 March 2025 (2024: Nil). The Group's financial position remained solid.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2025, the Group employed 78 full-time employees (2024: 80). For the Year, staff costs of the Group (including Directors' emoluments) were approximately HK$35.58 million (2024: approximately HK$31.94 million). Remuneration is determined with reference to market terms and the performance, qualification and experience of the employees aiming at attracting and retaining eligible employees to contribute to the Group. Apart from basic remuneration, share options may be granted under the share option scheme of the Company to eligible employees by reference to the Group's performance as well as the individual's contribution.

RETIREMENT BENEFITS PLANS

Hong Kong

The Group operates a Mandatory Provident Fund ("**MPF**") Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, each of the Group companies in Hong Kong contributes 5% of relevant payroll costs, capped at HK$1,500 per month, to the MPF Scheme, in which the contribution is matched by employees. No forfeited contribution is available for use by the Company to reduce the existing level of contributions for the Year.

The PRC

As stipulated by rules and regulations in the PRC, subsidiaries in the PRC are required to contribute to a state-managed retirement plan for all its employees at a certain percentage of the basic salaries of its employees. The state-managed retirement plan is responsible for the entire pension obligations payable to all retired employees. Under the state-managed retirement plan, the Group has no further obligations for the actual pension payments or post-retirement benefits beyond the annual contributions. No forfeited contribution is available for use by the Company to reduce the existing level of contributions for the Year.

Taiwan

The Group participates in defined contribution plans organised by the relevant local government authorities in Taiwan for its Taiwan employees, whereby the Group is required to make monthly contributions to these plans at certain percentage of the relevant portion of the payroll of these employees to the pension scheme to fund the benefits. The Group has no obligation for the payment of retirement and other post-retirement benefits for Taiwan employees other than the monthly contributions described above. No forfeited contribution is available for use by the Company to reduce the existing level of contributions for the Year.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's principal risks and uncertainties are summarised as follows:

(i) The Group's ongoing operations and growth could be affected if it fails to attract, recruit or retain key personnel including the executive Directors, senior management and key employees;

(ii) The Group's clients may delay in settlement of its bills, which may result in material adverse impact on the Group's business, financial conditions and results of operations;

(iii) The Group's reputation, brand name and business could be adversely affected by instances of misconduct by third parties, including the Group's partner websites, apps, mobile sites, service providers and advertising agencies, all of whom being independent entities and hence the Group does not have direct control on these third parties in relation to the contents shown on their websites, app and mobile sites or their activities;

(iv) The Group's business and financial performance may be adversely affected and the business sustainability may also be adversely affected if the Group is unable to secure engagements from clients through the tendering process.

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

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Directors believe that the digital marketing service industry in which the Group operates its integrated digital marketing business is not a major source of environmental pollution, and the impact of the Group's operations on the environment is minimal.

The Group is committed to establishing itself as an environmentally-friendly corporation that pays close attention to conserving natural resources. The Group strives to minimise the environmental impact by, inter alia, saving electricity and encouraging recycling of office supplies and other materials.

During the Year, the Group is not subject to any major environmental claims, lawsuits, penalties or disciplinary actions.

For more details of the Group's environmental policies and performance, please refer to the section headed "Environmental, Social and Governance Report" in this annual report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in Hong Kong and the PRC while the Company itself is an investment holding company listed on GEM of the Stock Exchange. Our establishment and operations accordingly shall comply with the relevant laws and regulations in Hong Kong and the PRC. During the Year and up to the date of this annual report, the Group has complied with all the relevant laws and regulations in Hong Kong and the PRC in all material respects for the business operations of the Group.

LITIGATIONS

During the Year, the Group is not engaged in any litigation or arbitration of material importance and there is no litigation or claim of material importance pending or threatened by or against any member of the Group.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Directors are of the view that employees, customers and suppliers are the keys to the sustainable development of the Group. The Directors believe that the Group maintains good working relations with its employees and suppliers and there has not been any labour strike within the Group during the Year, and it endeavours to improve the quality of services to the customers.

Employees are regarded as the most important and valuable assets of the Group. The Group provides various types of trainings and interest groups to its employees, which include (i) conducting weekly in-house market and company updates and development seminars; (ii) providing weekly customer relationship-related training programmes; (iii) subsidising its staff for pursuing further studies in related fields; and (iv) organising several interest groups for encouraging work-life balance.

The Group also stays connected with its customers and suppliers and has ongoing communication with its customers and suppliers through various channels such as telephone, electronic mails and online and offline meetings to obtain their feedback and suggestions.

OUTLOOK AND PROSPECTS

As the global economy recovers from the COVID-19 pandemic, significant macroeconomic shifts are reshaping the business landscape, especially within the advertising industry. A notable trend is the growing impact of artificial intelligence (AI) on advertising processes, influencing demand dynamics, labor costs, and market competition.

In the context of Hong Kong's economy, there are discernible changes in consumer behavior and spending habits. Previously, advertising investments in Hong Kong were heavily reliant on mainland Chinese tourists. However, with evolving consumer trends, these tourists are now allocating more of their spending to mainland cities like Shenzhen. Consequently, this shift directly affects advertising budgets and investment decisions in Hong Kong, with a noticeable decrease in demand for digital marketing services in Hong Kong and an increase in Mainland China.

Meanwhile, external digital marketing agencies are facing stiff competition from in-house digital marketing teams, fueled by the accessibility of AI-driven creative tools. This accessibility has reduced the cost for companies to hire and manage internal staff for advertising and social media functions. Furthermore, the firm anticipates challenges related to escalating labor costs due to increased migration and inflation, impacting operational efficiency.

In response to these macroeconomic changes, the Group is strategically planning and exploring new opportunities. The establishment of a mainland business headquarters in Shandong, China, is part of this strategy, focusing on key sectors such as e-commerce, new technologies, healthcare, and renewable energy. Additionally, the Group is considering divesting non-core businesses and leveraging its expertise to expand into emerging markets.

In conclusion, while the reopening of the border has resulted in increased short-term demand, the emergence of AI tools presents a long-term risk to the digital marketing industry. To uphold our commitment to providing optimal services to our clients and maintaining our position as industry leaders, we are actively exploring opportunities for business and service transformation.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Yip Shek Lun (葉碩麟), aged 43, was appointed as an executive Director on 6 February 2014 and has been holding this position since then. Mr. Yip is one of the founders of the Group and one of the controlling shareholders of the Company. Mr. Yip is primarily responsible for the day-to-day management of the Group, formulating overall business development strategies and overseeing the PRC operations of the Group. He is a member of the remuneration committee and nomination committee of the Board. Mr. Yip is the spouse of Ms. Wan Wai Ting, an executive Director. He resigned as the chairman and chief executive officer of the Company with effect from 20 October 2023 due to work adjustment. He has remained to serve as an executive Director, an authorized representative, a member of remuneration committee and a member of nomination committee of the Company after his resignation. For further details of change of chairman and chief executive officer of Mr. Yip, please refer to the Company's announcement dated 20 October 2023.

Mr. Yip graduated from The Chinese University of Hong Kong in Hong Kong in December 2004, with a degree of bachelor of business administration. From July 2004 to April 2006, Mr. Yip was the assistant account manager of Procter & Gamble Hong Kong Ltd, a consumer goods company. From May 2006 to April 2007, he worked as the marketing manager of La Souhait Cosmetic Limited, the principal business of which was the trading of cosmetic products, and was later appointed as its marketing director serving the Greater China region.

Mr. Yip is also a director of AdBeyond Holdings Limited ("**AdBeyond BVI**"), AdBeyond (Group) Limited ("**AdBeyond HK**"), COMO Group Holding Limited ("**COMO BVI**") and Glo Media Limited (formerly known as COMO Group Limited) ("**Glo Media HK**"); a supervisor of 廣州超帆信息科技有限公司 (AdBeyond (Group) Limited*) ("**AdBeyond GZ**"), and 南京高訊文化傳媒有限公司 (Nanjing Glo Media Limited*) (formerly known as 南京看團信息科技有限公司 (Nanjing Travel Information Technology Limited*)) ("**Glo Media NJ**"), respectively, all of which are wholly-owned subsidiaries of the Company. In addition, Mr. Yip is a director of Cooper Global Capital Limited ("**Cooper Global**") which is one of the controlling shareholders of the Company.

Mr. Ng Chi Fung (伍致豐), aged 43, was appointed as a Director on 10 January 2014 and was re-designated as an executive Director on 6 February 2014. He has been an executive Director since then. Mr. Ng is also one of the founders of the Group and one of the controlling shareholders of the Company. Mr. Ng is primarily responsible for the overall business administration, sales and marketing and management of the Group.

Mr. Ng graduated from The Wharton School of Finance and Commerce at the University of Pennsylvania in the United States of America (the "**United States**"), with a degree of bachelor of science in economics majoring in finance and accounting in May 2004. Mr. Ng has successfully completed all three levels of the CFA Program organised by the CFA Institute in June 2006.

From August 2004 to December 2005, Mr. Ng worked in McKinsey & Company, a management consulting firm, as a business analyst. In June 2005, Mr. Ng founded a health care company, Home of the Elderly Consultancy Limited, which specialises in providing elderly home referral services to the elderly and their families and has been acting as its chairman and non-executive director since then. Mr. Ng was a non-executive director of AMOS Enterprises Limited, a technology company which focuses on providing and developing innovative solutions on electrical, electronic and information technology. Mr. Ng is the 2014 president of Junior Chamber International Peninsula (Hong Kong), an international organisation for young professionals and entrepreneurs which aims to foster youngsters' leadership skills, social responsibility, enhance international friendship and build business network. Mr. Ng was a screening committee member of Hong Kong Business Angel Network, a non-profit making organisation with the mission to foster angel investment in Hong Kong.

Mr. Ng is also a director of AdBeyond BVI, AdBeyond HK, COMO BVI, Glo Media HK, iMinds Interactive Holdings Limited ("**iMinds BVI**") and iMinds Interactive Limited ("**iMinds HK**"), respectively, all of which are wholly-owned subsidiaries of the Company.

Ms. Wan Wai Ting (尹瑋婷), aged 43, was appointed as an executive Director on 6 February 2014 and has been holding this position since then. Ms. Wan is also one of the founders of the Group and one of the controlling shareholders of the Company. Ms. Wan is the chief creative director of AdBeyond HK, a wholly-owned subsidiary of the Company. She is responsible for supervising our PRC business development and projects. Ms. Wan is the spouse of Mr. Yip Shek Lun, an executive Director, chief executive officer and chairman of the Board.

Ms. Wan obtained her degree of bachelor of business administration from The Chinese University of Hong Kong in Hong Kong in December 2004. From December 2004 to October 2006, she worked as the marketing executive of AOM Sun Ltd, the sole agent of CITIZEN electronic products, where she was responsible for liaising with advertising agencies, organising promotional activities and analysing marketing strategies.

Ms. Wan led the Group in winning several awards throughout the markets in Asia-Pacific and Hong Kong, such as the Marketing Magazine's Marketing Events Award 2016 and the ROI Festival 2016.

Ms. Wan is also a director of AdBeyond BVI, AdBeyond HK, COMO BVI and Glo Media HK and the supervisor of AdBeyond GZ and Glo Media NJ, respectively, all of which are wholly-owned-subsidiaries of the Company. In addition, Ms. Wan is a director of Cooper Global which is one of the controlling shareholders of the Company.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Yin Di (尹迪), aged 39, was appointed as an executive Director on 10 February 2023 and has been holding this position since then. Mr. Yin worked in the personnel section of Beijing Haiwei Industry and Trading Co., Ltd*. (北京海威貿有限公司), primarily responsible for the employment management, business and performance evaluation of the company, as well as the external liaison and operation of the company. Since 2017, Mr. Yin founded Zhongmin Guoen Industrial Group Co., Ltd. ("**Zhongmin Guoen**"), a comprehensive industry group which puts the concept of "One Health" at its core, while integrating different businesses, including agricultural technology refining, research and development of food and medicine, and the promotion of new energy resources and new materials.

Mr. Yin is currently the managing director of Zhongmin Guoen, responsible for leading the future business development of Zhongmin Guoen. He is also primarily responsible for the nationwide expansion and operation of Zhongmin Guoen's "One Health" core business. Mr. Yin has served as an executive director of APAC Chenghua (Beijing) Investment Fund Management Co., Ltd.* (亞太誠華(北京)投資基金管理有限公司) ("**APAC Chenghua**") since 2020. APAC Chenghua specializes in private equity investments in the field of medical care and "One Health". Mr. Yin is primarily responsible for the operational planning of the company, leading the negotiation and review of its project investments. Mr. Yin studied in the Beijing Institute of Economics and Management from March 2008 to July 2010 with an associate degree in finance and securities. He then continued his studies in the Communication University of China from March 2011 to July 2013 and graduated with a bachelor's degree in journalism in July 2013. He was appointed as the chairman and chief executive officer of the Company with effect from 20 October 2023. For further details of change of chairman and chief executive officer of Mr. Yin, please refer to the Company's announcement dated 20 October 2023.

Mr. Liu Liping (劉立平), aged 53, was appointed as an executive Director on 20 October 2023 and has been holding this position since then. Mr. Liu possesses extensive experiences in back-office coordination. From 1996 to 1998, Mr. Liu worked as a staff member of Shandong Shifeng Group Company Limited* (山東時風(集團)有限責任公司) with duties mainly in respect of the back-office, for which he was responsible for marketing. He worked as a supervisor of Shandong Gaotang Lanshan Group Company* (山東省高唐藍山集團總公司) from 1999 to 2002, primarily responsible for marketing. He also worked as a supervisor of Shandong Liaocheng Province Dongchangfu District Grain and Oil Town Supply Company* (山東省聊城市東昌府區糧油供應總公司) from 2002 to 2017, for which he was responsible for personnel matters of the back-office. Since 2018 to date, Mr. Liu has been working as an office director of Shandong Zhi Guang Steel Structure Co., Ltd.* (山東致廣鋼結構有限公司), primarily responsible for marketing. His expertise is marketing-related work in back-office business.

Mr. Liu confirmed that he (i) obtained the legal advice referred to under Rule 5.02D of the GEM Listing Rules on 20 October 2023; and (ii) understood his obligations as a director of a listed issuer under the GEM Listing Rules.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Hong Ming Sang (項明生), aged 56, was appointed as an independent non-executive Director on 28 May 2014 and has been holding this position since then. He is a member of the audit committee and the chairman of the remuneration committee of the Board.

Mr. Hong graduated from The University of Hong Kong in Hong Kong, with a degree of bachelor of arts in December 1992. He obtained a diploma in marketing and international business from The Chinese University of Hong Kong in Hong Kong in October 1997. In June 2007, Mr. Hong co-founded Asia HD Association Limited, a non-profit making organisation on the promotion of high-definition technology development in Hong Kong, and has been one of its directors since then. From September 2011 to November 2013, Mr. Hong was one of the directors of Sony Computer Entertainment Hong Kong Limited, a video game company. From November 2013 to November 2015, Mr. Hong was the chief executive officer of Gameone Group Limited. Mr. Hong was a non-executive director of Gameone Holdings Limited (a company listed on the Stock Exchange, stock code: 8282) from 2 October 2015 to 1 March 2017.

Mr. Bian Wencheng (邊文成), aged 72, was appointed as an independent non-executive Director with effect from 23 May 2023 and has been holding this position since then. He is a member of the audit committee and the nomination committee of the Board.

Mr. Bian has over 20 years of experiences in factory management, commercial insurance team management and the sales of insurance products. From 1980 to 2002, he had served as the factory director or legal representative of different enterprises respectively, where he was primarily responsible for administrative and management works. He passed the National Unified Examination for Enterprise Managers and Factory (Mine) Directors* (企業經理、廠(礦)長國家統一考試) in 1986.

Mr. Bian was the manager of China Taiping Life Insurance Company's sales department at Dalian Development Area from 2002 to 2012, where he was primarily responsible for the works of departmental administrative management and the sales of insurance products. During his tenure of office, he was accredited as the "Energetic Taiping Star"* (活力太平之星) in 2005, awarded the title of "Elite of Organizational Development"* (組織發展精英)in 2007, as well as awarded the title of "Dedicated Model"* (敬業標兵) in 2008 and he won the first place for standard premiums in the marketing department at Dalian Development Area* (大連開發區營業部標保第一名) in the same year.

Mr. Bian confirmed that he (i) obtained the legal advice referred to under Rule 5.02D of the GEM Listing Rules on 23 May 2023; and (ii) understood his obligations as a director of a listed issuer under the GEM Listing Rules.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Ms. Fu Hongzhi (付宏志), aged 58, was appointed as an independent non-executive Director on 8 August 2023 and has been holding this position since then. She is a member of the remuneration committee and the chairman of the audit committee and nomination committee of the Board.

Ms. Fu graduated from Zhongnan University of Economics and Law (中南財經政法大學), majoring in finance and accounting. She has more than 20 years of experience in financial management. She is a member of the Chinese Institute of Certified Public Accountants since 2020. Ms. Fu worked in Beijing Broadcasting Equipment Factory from 1989 to 1998 as the leader of the analysis team. She served as the deputy director of the Finance Department of BOCO Group Holding Limited* (億陽集團股份有限公司) and its group from 1998 to 2017, responsible for financial planning, accounting processing, and financial budgeting. From 2017 to 2019, Ms. Fu Hongzhi served as the financial director of Beijing Huiyan Zhixing Technology Company Limited (北京慧眼智行科技有限公司), and was fully responsible for formulating the company's financial goals and policies, establishing and improving the company's financial system and internal financial management, and reviewing financial statements.

Ms. Fu confirmed that she (i) obtained the legal advice referred to under Rule 5.02D of the GEM Listing Rules on 8 August 2023; and (ii) understood her obligations as a director of a listed issuer under the GEM Listing Rules.

SENIOR MANAGEMENT

Mr. Tsang Wai Kit, Keith (曾瑋傑), aged 44, joined the Group in June 2012 as the Assistant Business Development Manager of AdBeyond HK and he is currently the Business Development Director of the Group. He is primarily responsible for the overall integrated strategic marketing planning to clients and overseeing and directing the business operation internally and ensuring that the Group achieves sustainable business's growth. He developed and implemented integrated marketing strategies to clients who targeted to grow business in China market.

Mr. Tsang graduated from Hong Kong Baptist University in 2006 and worked as a sales and marketing manager in electronic industry for 4 years.

* *For identification purpose only*

REPORT OF THE DIRECTORS

The Directors are pleased to present this report of the Directors together with the audited consolidated financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of the Group's subsidiaries are set out in note 37 to the consolidated financial statements.

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The Company's principal place of business in Hong Kong is Unit 1201 & 16, 12/F, Two Harbour Square, No.180 Wai Yip Street, Kwun Tong, Hong Kong.

CLOSURE OF REGISTER OF MEMBERS

In order to establish entitlements to attend and vote at the forthcoming annual general meeting of the Company to be held on Friday, 8 August 2025 (the "**2025 AGM**"), the register of members of the Company will be closed from Tuesday, 5 August 2025 to Friday, 8 August 2025 (both days inclusive), during which period no transfer of the Shares will be registered. Shareholders of the Company (the "**Shareholders**") are reminded to ensure that all completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 4 August 2025.

BUSINESS REVIEW

A business review of the Group for the Year as required by Schedule 5 to the Hong Kong Companies Ordinance (Chapter 622 of the laws of Hong Kong), including a discussion of the principal risks and uncertainties facing the Group, environmental policies and performance of the Group, compliance with relevant laws and regulations by the Group, its financial key performance indicators, its key relationship with employees, customers and suppliers and an indication of likely future developments in the Group's business, are set out in the section headed "Management Discussion and Analysis" in this annual report. Such business review forms an integral part of this report of the Directors.

SEGMENT INFORMATION

An analysis of the Group's performance for the Year by operating segment is set out in note 8 to the consolidated financial statements.

REPORT OF THE DIRECTORS

RESULTS AND APPROPRIATIONS

The Group's results for the Year and the state of affairs of the Group as at 31 March 2025 are set out in the consolidated financial statements from pages 81 to 161 of this annual report.

The Board has resolved not to recommend the payment of a final dividend for the Year (2024: Nil).

SHARE PREMIUM AND RESERVES

Details of movements in the share premium and reserves of the Company and the Group during the Year are set out in note 36 to the consolidated financial statements and the consolidated statement of changes in equity, respectively.

PLANT AND EQUIPMENT

Details of movements in plant and equipment of the Group during the Year are set out in note 17 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the Year are set out in note 31 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 March 2025, including the share premium, available for distribution, calculated in accordance with the provision of Companies Laws of Cayman Islands was nil (2024: Nil).

CHARITABLE DONATIONS

Charitable and other donations made by the Group during the Year was HK$5,000 (2024: HK$4,000).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association (the "**Articles**") or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

REPORT OF THE DIRECTORS

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 162 of this annual report.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any securities or any treasury shares of the Company during the Year.

SHARE OPTION SCHEME

The Company's share option scheme (the "**Share Option Scheme**") was conditionally approved by the Company pursuant to the written resolutions of all the then shareholders of the Company dated 20 May 2015.

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

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group. The Directors consider that the Share Option Scheme will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group.

(b) Participants of the Share Option Scheme

The Directors may, at their absolute discretion, invite any person belonging to any of the following classes of participants, to take up options to subscribe for Shares:

(i) any employee (whether full-time or part-time, including a director) of the Company, any of its subsidiaries or any entity ("**Invested Entity**") in which any member of the Group holds an equity interest;

(ii) any directors (including non-executive Directors and independent non-executive Directors) of the Company, any of its subsidiaries or any Invested Entity;

(iii) any supplier of goods or services to any member of the Group or any Invested Entity;

(iv) any customer of any member of the Group or any Invested Entity;

(v) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;

(vi) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;

(vii) any adviser (professional or otherwise), consultant, individual or entity who in the opinion of the Directors has contributed or will contribute to the growth and development of the Group; and

(viii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group, and, for the purposes of the Share Option Scheme, an offer for the grant of options may be made to any company wholly-owned by one or more persons belonging to any of the above classes of participants.

(c) Total number of Shares available for issue under the Share Option Scheme

The total number of Shares which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Group) must not in aggregate exceed 10% of the total number of Shares in issue as at the Listing Date.

The Company may refresh this limit at any time, subject to the Shareholders' approval and the issue of a circular and in accordance with the GEM Listing Rules, provided that the total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group must not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit and for such purpose, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option schemes of the Group) previously granted under the Share Option Scheme and any other share option schemes of the Group will not be counted. The above is subject to the condition that the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group shall not exceed 30% of the share capital of the Company in issue from time to time.

(d) The maximum entitlement of each participant under the Share Option Scheme

The total number of Shares issued and to be issued upon the exercise of options granted to each participant (including both exercised or outstanding options) under the Share Option Scheme or any other share option schemes of the Group, in any 12-month period shall not exceed 1% of the Company's Shares in issue. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting with such participant and his close associates (or his associates if the participant is a connected person) abstaining from voting.

(e) Timing for exercising option

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years after the date of grant of the option.

(f) Acceptance and payment on acceptance of option offer

An offer of the grant of the option may be accepted by a participant within such time as may be specified in the offer (which shall not be later than 21 days from the date of the offer of grant of the options).

HK$1 shall be payable by the grantee to the Company as consideration for the grant on acceptance of the option offer.

(g) The basis of determining the subscription price for Shares

The subscription price for Shares under the Share Option Scheme in respect of any option shall be at the discretion of the Directors, provided that it shall not be less than the highest of:

(i) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the date of the offer of grant, which must be a business day;

(ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations sheet for the five trading days immediately preceding the date of the offer of grant; and

(iii) the nominal value of the Shares.

(h) Duration of the Share Option Scheme

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted.

During the Year, no awards or share options had been granted, exercised, expired, forfeited, cancelled or lapsed under the Share Option Scheme. The total number of share options available for grant under the Share Option Scheme is 16,672,000 (prior to the share consolidation having become effective on 26 April 2024), 833,600 (as adjusted for the share consolidation on 26 April 2024) and 2,500,800 (after the rights issue on 20 September 2024 and as at 31 March 2025), respectively. Accordingly, the total number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme is 2,500,800 Shares (after the rights issue on 20 September 2024 and as at 31 March 2025), representing approximately 10% of the Shares in issue as at the date of this annual report. As the Share Option Scheme has lapsed in May 2025, no option was available for grant under the Share Option Scheme as at the date of this annual report.

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme, the Company did not enter into any equity-linked agreement during the year or subsisted at the end of the Year.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Other than the Share Option Scheme disclosed above, at no time during the Year was the Company, or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS

The Directors during the Year and up to the date of this annual report were:

Executive Directors

Mr. Yin Di *(Chairman and chief executive officer)*
Mr. Yip Shek Lun
Mr. Ng Chi Fung
Ms. Wan Wai Ting
Mr. Liu Liping

Independent non-executive Directors

Mr. Hong Ming Sang
Mr. Bian Wencheng
Ms. Fu Hongzhi

In accordance with article 108 of the Articles, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, are required to retire from office at each annual general meeting of the Company, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once in every three years. A retiring Director shall be eligible for re-election. The Directors to retire by rotation every year shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not offer himself for re-election, and any Director who has not been subject to retirement by rotation in the three years preceding the annual general meeting, and any further Directors who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

In accordance with article 108 of the Articles, Mr. Yin Di, Mr. Yip Shek Lun and Mr. Hong Ming Sang ("**Mr. Hong**") will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming 2025 AGM.

As at 31 March 2025, Mr. Hong has served as an independent non-executive Director ("**INED**") for more than 9 years from 28 May 2014. Although Mr. Hong has served as an INED for more than 9 years, Taking into consideration of Mr. Hong's valuable contributions, impartiality and independent judgement demonstrated at meetings of the Board, the Audit Committee and the Remuneration Committee and his contributions to the Board in the past, and having considered that the continued appointment of Mr. Hong as long serving INED would not affect his exercise of independent judgments, the Board is satisfied that Mr. Hong has the required character, integrity and experience to continue fulfilling the role of an INED. Mr. Hong's qualifications and related expertise will continue to bring a wide range of business expertise to the Board. Being a long-serving Director, Mr. Hong has developed an in-depth understanding of the Group's operations and business, and has expressed objective views and given independent insights to the Company over the years. The Board is not aware of any evidence that the long service of Mr. Hong would impair his independent judgements. In this regard, the Board with the recommendation of the nomination committee, considered that Mr. Hong is independent and suitable as an INED.

The Company has received annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 5.09 of the GEM Listing Rules. As at the date of this annual report, the Board considers all of them independent.

DIRECTORS' SERVICE CONTRACTS

Each of our executive Director has entered into a service agreement with the Company for an initial term of one year, and shall be renewed and extended automatically by one year on the expiry of such initial term and on the expiry of every successive period of one year thereafter, subject to early termination by either party in accordance with the terms of the respective service agreement and retirement by rotation and re-election pursuant to the Articles.

Each of the independent non-executive Directors had been appointed under a letter of appointment for an initial term of one year, and renewable automatically for successive term of one year, subject to early termination by either party in accordance with the terms of the respective letter of appointment and retirement by rotation and re-election pursuant to the Articles.

None of the Directors proposed for re-election at the 2025 AGM has or is proposed to have a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transactions, arrangements or contracts of significance in relation to the business of the Group to which the Company or any of its subsidiaries was a party, and in which a Director or an entity connected with the Director had a material interest, whether directly or indirectly, subsisted as at 31 March 2025 or at any time during the Year.

EMOLUMENT POLICY

The remuneration committee of the Board is responsible for making recommendations to the Board on the Company's remuneration policy and structure for all the Directors and senior management, having regard to market competitiveness, individual performance and achievement. The Company has adopted the Share Option Scheme as an incentive to the Directors and other relevant eligible participants, details of the scheme are set out in the paragraph headed "Share Option Scheme" above.

Details of the Directors' remuneration and the five highest paid individuals are set out in notes 13 and 14 to the consolidated financial statements, respectively.

No Director has waived or has agreed to waive any emoluments during the Year, save and except that Mr. Yin Di, Mr. Ng Chi Fung and Mr. Liu Liping as an executive Director, did not receive any remuneration (including director's fee, salaries, allowances, benefits in kind and employer's contribution to pension scheme).

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Biographical information of Directors and senior management of the Group are set out from pages 20 to 24 of this annual report.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2025, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long position in the Shares

Name	Nature of interest	Total number of Shares held	Percentage of shareholding
Mr. Yip Shek Lun ("**Mr. Alan Yip**")	Interests held jointly with another person (Note 1)	400	0.0016%
	Interest in controlled corporation (Note 2)/Interest of spouse (Note 3)	100	0.0004%
Ms. Wan Wai Ting ("**Ms. Karin Wan**")	Interests held jointly with another person (Note 1)	400	0.0016%
	Interest in controlled corporation (Note 2)/Interest of spouse (Note 3)	100	0.0004%
Mr. Ng Chi Fung ("**Mr. Jeff Ng**")	Interests held jointly with another person (Note 1)	100	0.0004%
	Beneficial owner	400	0.0016%
Mr. Yin Di ("**Mr. Yin**") *(Chairman and chief executive officer)*	Beneficial owner	7,476,500	29.90%
Mr. Liu Liping ("**Mr. Liu**")	Beneficial owner	416,500	1.67%

Notes:

1. Mr. Alan Yip, Ms. Karin Wan, Mr. Jeff Ng and Ms. Wang Lai Man, Liza ("**Ms. Liza Wang**") are persons acting in concert and accordingly each of them is deemed to be interested in the Shares held by the others. By a deed of confirmation and undertaking entered into among Mr. Alan Yip, Mr. Jeff Ng, Ms. Karin Wan and Ms. Liza Wang dated 2 January 2014 (the "**Acting in Concert Confirmation and Undertaking**"), each of Mr. Alan Yip, Ms. Karin Wan, Mr. Jeff Ng and Ms. Liza Wang confirmed that, inter alia, they had exercised their voting rights at the meetings of the shareholders and/or directors of members of the Group in unanimity since 1 April 2011 and had undertaken to continue to do so upon the execution of the Acting in Concert Confirmation and Undertaking and during the period they (by themselves or together with their associates) remain in control of the Group until the Acting in Concert Confirmation and Undertaking is terminated by them in writing.

2. These Shares are held by Cooper Global Capital Limited ("**Cooper Global**"), which is owned as to 50.00% by Mr. Alan Yip and 50.00% by Ms. Karin Wan. By virtue of the SFO, Mr. Alan Yip and Ms. Karin Wan are deemed to be interested in the Shares held by Cooper Global.

3. Mr. Alan Yip is the spouse of Ms. Karin Wan. Under the SFO, Mr. Alan Yip is deemed to be interested in all the Shares in which Ms. Karin Wan is interested. Ms. Karin Wan is the spouse of Mr. Alan Yip. Under the SFO, Ms. Karin Wan is deemed to be interested in all the Shares in which Mr. Alan Yip is interested.

Save as disclosed above, as at 31 March 2025, none of the Directors nor chief executive of the Company has registered any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association of the Company, every Director or other officers of the Company shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own fraud or dishonesty.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

So far as the Directors are aware, as at 31 March 2025, no persons (other than the Directors or chief executive of the Company) had or deemed or taken to have any interest and/or short position in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

MANAGEMENT CONTRACTS

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

MAJOR SUPPLIERS

The percentages of cost of services, excluding staff costs, for the respective year ended 31 March attributable to the Group's major suppliers are as follows:

	2025	2024
– the largest supplier	**39.20%**	27.88%
– five largest suppliers combined	**57.60%**	59.16%

To the best of the knowledge of the Directors, save as disclosed below, none of the Directors, any of their respective close associates nor any Shareholders (who or which, to the knowledge of the Directors, owns more than 5% of the Company's issued share capital) had any interest in the five largest suppliers noted above.

MAJOR CUSTOMERS

The percentage of revenue for the Year attributable to the Group's five largest customers accounted for approximately 39.26% (2024: 24.46%) of the Group's total revenue for the Year. The largest customer accounted for approximately 24.36% (2024: approximately 7.92%) of the Group's total revenue for the Year.

To the best knowledge of the Directors, none of the Directors, their respective close associates nor any Shareholders (who or which, to the acknowledge of the Directors, owns more than 5% of the issued share capital of the Company), had any interest in any of the Group's top five customers.

RELATIONSHIP WITH CUSTOMERS, SUPPLIERS AND EMPLOYEES

Please refer to the paragraphed headed "Management Discussion and Analysis – Key Relationships with Employees, Customers and Suppliers" in this annual report for details.

RELATED PARTY TRANSACTIONS

Details of the related party transactions entered into by the Group are set out in note 35 to the consolidated financial statements. The related party transactions as set out therein which are in respect of the remuneration of the Directors constitute connected transactions exempt from reporting, announcement and independent shareholders' approval requirements pursuant to the GEM Listing Rules.

Save as disclosed above, the related party transactions set out in note 35 to the consolidated financial statements do not fall under the definition of "connected transaction" or "continuing connected transaction" under Chapter 20 of the GEM Listing Rules.

CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION

During the Year, the Group has not entered into any connected transactions or continuing connected transactions that are not exempted under the GEM Listing Rules. The Board confirms that the Company has complied with the applicable disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

From information publicly available to the Company and within the knowledge of the Directors, the Company has maintained the public float required by the GEM Listing Rules during the Year and up to the date of this annual report.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

The Directors are not aware of any business or interest of the Directors nor the controlling shareholders of the Company nor any of their respective close associates that competes or may compete, directly or indirectly, with the Group's business and any other conflicts of interest which any such person has or may have with the Group during the Year.

DEED OF NON-COMPETITION

A deed of non-competition dated 20 May 2015 had been entered into by Mr. Alan Yip, Mr. Jeff Ng, Ms. Karin Wan, Ms. Liza Wang and Cooper Global, all being the Company's controlling shareholders, in favour of the Company regarding certain non-competition undertakings. The details of the deed of non-competition have been disclosed in the section headed "Relationship with Our Controlling Shareholders" in the Prospectus. Each of the controlling shareholders has given an annual declaration to the Company confirming that he/she/it has complied with the non-competition undertakings provided to the Company under the said deed of non-competition. The independent non-executive Directors of the Company have reviewed the status of compliance and enforcement of the non-competition undertakings and confirmed that all the undertakings themselves have been complied for the Year.

REPORT OF THE DIRECTORS

CONTROLLING SHAREHOLDERS' INTEREST

Save as disclosed herein, apart from transactions carried out in the normal course business, there were no contracts of significance between the Company or any of its subsidiaries and a controlling shareholder or any of its subsidiaries or any contracts of any significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this annual report, there were no significant events occurring subsequent to 31 March 2025 and up to the date of this annual report.

CORPORATE GOVERNANCE

Details of the corporate governance practices adopted by the Company are set out from pages 38 to 54 of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group's environmental, social and governance report is set from pages on 55 to 75 of this annual report.

REVIEW BY AUDIT COMMITTEE

The audited consolidated financial statements of the Group for the Year have been reviewed by the audit committee of the Board. The audit committee is of the opinion that the consolidated financial statements of the Group for the Year comply with the applicable accounting standards, the GEM Listing Rules and that adequate disclosures have been made.

AUDITOR

The consolidated financial statements for the Year have been audited by SHINEWING (HK) CPA Limited who will retire and, being eligible, offer themselves for re-appointment at the 2025 AGM. A resolution for the re-appointment of SHINEWING (HK) CPA Limited as the auditor of the Company is to be proposed at the 2025 AGM. There has been no change in the auditor of the Company in the preceding three years.

By order of the Board
Yin Di
Chairman of the Board, chief executive officer and Executive Director

Hong Kong, 19 June 2025

CORPORATE GOVERNANCE REPORT

The Board strives to uphold the principles of corporate governance as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the GEM Listing Rules, and adopted various measures to enhance the internal control system, the Directors' continuous professional development and other areas of practice of the Company. While the Board strives to maintain a high level of corporate governance, it also works hard to create values and achieve a higher return for the Shareholders.

For the Year, the Company has complied with the CG Code, other than Provision C.2.1 and C.1.6 of part 2 of the CG Code, which are explained in the paragraphs below.

Provision C.2.1 of part 2 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Yin Di is the chairman of the Board and the chief executive officer of the Company and is responsible for managing the Group's business and overall strategic planning. The Directors believe that the vesting of the roles of chairman of the Board and chief executive officer in Mr. Yin Di can facilitate the execution of the Group's business strategies and boost effectiveness of its operation. Accordingly, the Company has not segregated the roles of its chairman of the Board and chief executive officer as required by Provision C.2.1 of part 2 of the CG Code. In addition, under the supervision of the Board which is comprised of five executive Directors, and three independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and the Shareholders.

Provision C.1.6 of part 2 of the CG Code stipulates that independent non-executive directors and other non-executive directors, as equal board members, should give the board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They should also attend general meetings and develop a balanced understanding of the views of shareholders. Mr. Hong Ming Sang, the independent non-executive Director, did not attend the extraordinary general meeting of the Company held on 24 April 2024 due to his other engagements.

The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, comply with regulatory requirements and meet the growing expectations of the Shareholders and investors.

CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings concerning securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "**Model Code**") as its own code governing securities transactions of the Directors. Having made specific enquiry of all the Directors, all of them confirmed that they have fully complied with the required standard of dealings as set out in the Model Code during the Year and up to the date of this annual report.

Pursuant to Rule 5.66 of the Model Code, the Directors have also requested any employee of the Company or director or employee of a subsidiary of the Company who, because of his/her office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company, not to deal in securities of the Company when he/she would be prohibited from dealing by the Model Code as if he/she was a Director.

BOARD OF DIRECTORS

The Company is governed by the Board which has the responsibility for leadership and monitoring of the Company. The Directors are collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. In practice, the Board takes responsibility for decision making in all major matters of the Company including: the approval and monitoring of all policy matters, the setting of objectives, annual budgets and overall strategies, material transactions (in particular those which may involve conflict of interests), appointment of directors and other significant financial and operational matters. The day-to-day management, administration and operation of the Company are delegated to the executive Directors and senior management ("**Senior Executives**") of the Company. These responsibilities include the implementation of decisions of the Board, the co-ordination and direction of day-to-day operation and management of the Group in accordance with the management strategies and plans approved by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by these Senior Executives and the Board has the full support of them to discharge its responsibilities.

All Directors have full and timely access to all relevant information as well as the advice and services of the professional advisers, as and when required, with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

As at the date of this annual report, the Board comprises eight Directors. During the Year and up to the date of this annual report, the Board's composition is as follows:

Executive Directors

Mr. Yin Di *(Chairman and chief executive officer)*
Mr. Yip Shek Lun
Mr. Ng Chi Fung
Ms. Wan Wai Ting
Mr. Liu Liping

Independent non-executive Directors

Mr. Hong Ming Sang
Mr. Bian Wencheng
Ms. Fu Hongzhi

All Directors carry out their duties in good faith and in compliance with applicable laws, rules and regulations, make decisions objectively and act in the interests of the Company and its Shareholders as a whole at all times during the Year.

There is no financial, business, family or other material/relevant relationship amongst the Directors, except that (i) Mr. Alan Yip and Ms. Karin Wan are married couple; and (ii) Mr. Alan Yip, Mr. Jeff Ng, Ms. Karin Wan and Ms. Liza Wang (a former director) are persons acting in concert. By the Acting in Concert Confirmation and Undertaking, each of Mr. Alan Yip, Mr. Jeff Ng, Ms. Karin Wan and Ms. Liza Wang (a) confirmed that since 1 April 2011, they have adopted a consensus building approach to reach decisions on a unanimous basis, voted as a group (by themselves and/or through companies controlled by them) on an unanimous basis in respect of all corporate matters relating to the financials and operations of the Group at the shareholder and board levels of each member company within the Group, and have been given sufficient time and information to consider and discuss in order to reach consensus; and (b) have undertaken that, upon execution of the Acting in Concert Confirmation and Undertaking and during the period they (by themselves or together with their associates) remain in control of the Group until the Acting in Concert Confirmation and Undertaking is terminated by them in writing, they will maintain the above acting-in-concert relationship.

The Group will continue to ensure that the Directors keep track of the latest developments regarding the GEM Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices.

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance. The Board is also responsible for implementing policies in relation to financial matters, which include risk management and internal controls and compliance, if applicable. In addition, the Board reviews the financial performance of the Group, approves investment proposals, the nomination of Directors to the Board and appointment of key management personnel. These functions are carried out either directly by the Board or through Board committees such as Audit Committee, Nomination Committee and Remuneration Committee.

All Directors are aware of their collective and individual responsibilities to the shareholders of the Company, the duties to act honestly and in good faith, in compliance with applicable laws and regulations and in the interests of the Company and its shareholders at all times and to avoid conflicts of interests. During the Year, in accordance with Provision D.1.2 of part 2 of the CG Code, all Directors are provided with monthly updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

All Directors have timely access to all relevant information as well as the advice and services of the company secretary and senior management, with a view to ensuring compliance with Board procedures and all applicable laws and regulations. Any Director may request for independent professional advice in appropriate circumstances at the Company's expenses, upon reasonable request made to the Board.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance duties as set out in Provision A.2.1 of part 2 of the CG Code, which include (a) to develop and review the Company's policies and practices on corporate governance and make recommendations; (b) to review and monitor the training and continuous professional development of the Directors and senior management of the Company; (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the employees of the Group and the Directors; and (e) to review the Company's compliance with the CG Code and relevant disclosures in the corporate governance report as set out in the annual reports of the Company.

The Board has performed the abovementioned corporate governance functions for the Year.

BOARD DIVERSITY POLICY

Pursuant to the CG Code, the Board has adopted a board diversity policy (the "**Board Diversity Policy**"). The Company recognises and embraces the benefits of diversity of the Board members. While all Board appointments will continue to be made on a merit basis, the Company will ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the needs of the Company's business. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge.

The Company is conscious of maintaining Board diversity with an appropriate level of female members on the Board, which shall not be less than one female member and may further increase in the next five years. During the Year and as at the date of this report, the Board had two female Board members (i.e. Ms. Wan Wai Ting and Ms. Fu Hongzhi), in which case the Board considered gender diversity has been achieved. While conscious efforts are being taken by the Company to fulfil its Board Diversity Policy, all appointments are ultimately made on a merit basis taking into account available and suitable candidates.

The nomination committee of the Company will review the implementation of the Board Diversity Policy at least annually and make recommendations on any proposed changes to the Board for the Board's review and approval to ensure its continued appropriateness and effectiveness.

As at the date of this annual report, the Board comprised eight Directors. Three of the Directors are independent non-executive Directors and all of them are independent of the management, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversities, whether considered in terms of gender, professional background or skills.

WORKFORCE DIVERSITY POLICY

The Group strictly adheres to fair and appropriate employment practices and labour standards. With an anti-discriminatory and equal-opportunity policy in place, the Group provides job applicants and employees with equal opportunities of employment and promotion, and prohibits all forms of discrimination on gender, religion, race, disability or age.

As at 31 March 2025, the Group had a total of 78 staff members (excluding the Directors). The gender composition of the staff members (excluding the Directors) was approximately 23.08% male staff members and 76.92% female staff members.

The Board considered that gender diversity of the workforce of the Group has been well maintained during the Year. As such, the plan for the Group in terms of gender diversity in the workforce is to maintain the balance of gender diversity in the foreseeable future.

DIVIDEND POLICY

As at the date of this report, the Board has adopted a dividend policy (the "**Dividend Policy**") in compliance with F.1.1 of part 2 of the CG Code, which establishes an appropriate procedure on declaring and recommending the dividend payment of the Company. Summary of the Dividend Policy is set out below:

(i) In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, among other things of the Group:

   (a) operating and financial results;

   (b) cash flow situation;

   (c) business conditions and strategies;

   (d) future operations and earnings;

   (e) taxation consideration;

   (f) interim dividend paid, if any;

   (g) capital requirement and expenditure plans;

   (h) interests of shareholders;

   (i) statutory and regulatory restrictions;

(j) any restrictions on payment of dividends; and

(k) any other factors that the Board may consider relevant.

(ii) The payment of the dividend by the Company is also subject to any restrictions under the Companies Law of the Cayman Islands and the Articles. Any final dividends declared by the Company must be approved by an ordinary resolution of the shareholders at an annual general meeting and must not exceed the amount recommended by the Board. The Board may from time to time pay to the shareholders such interim and/or special dividends as it considers to be justified by the profits of the Group.

(iii) The Board endeavours to strike a balance between the shareholders' interests and prudent capital management with a sustainable Dividend Policy. The Board will review the Dividend Policy from time to time and may exercise at its sole and absolute discretion to update, amend and/or modify the policy at any time as it deems fit and necessary.

The Company will review the Dividend Policy from time to time and there can be no assurance that a dividend will be proposed or declared in any specific periods.

DIRECTORS' ATTENDANCE AT THE BOARD MEETING AND GENERAL MEETING

Regular board meetings are held to discuss the overall strategic directions, operations and financial performance of the Group, and to approve interim and annual results and other significant matters of the Group. For regular meetings, the Board members are given at least 14 days' prior notice and agenda with supporting documents are sent to the Directors not less than 3 days before the relevant meeting is held.

Directors may propose to the chairman of the Board or the company secretary of the Company to include matters in the agenda for regular board meetings. Directors are requested to declare their direct or indirect interests, if any, in any proposals or transactions to be considered by the Board at board meetings and abstain from voting in favour of the related board resolutions as appropriate.

The Directors can attend meetings in person or through other means of electronic communication in accordance with the Articles. Minutes of meetings of the Board and Board committees are kept by the company secretary of the Company in sufficient details of the matters considered and decisions reached, including dissenting views expressed, and are open for inspection on reasonable notice by any Director. Draft and final versions of minutes are sent to all Directors for their comments and records respectively within a reasonable time after the board meeting is held.

All Directors have access to the advice and services of the company secretary of the Company with a view to ensuring the Board procedures are followed.

During the Year, the Directors' attendance record of the Board, Board committees and general meetings are as follows:

Directors	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Annual General Meeting	Extraordinary General Meeting
Executive Directors:						
Yin Di	5/5	N/A	N/A	N/A	1/1	1/1
Yip Shek Lun	3/5	N/A	0/1	0/1	1/1	1/1
Ng Chi Fung	3/5	N/A	N/A	N/A	1/1	0/1
Wan Wai Ting	3/5	N/A	N/A	N/A	0/1	1/1
Liu Liping	5/5	N/A	N/A	N/A	1/1	1/1
Independent Non-executive Directors:						
Hong Ming Sang	3/5	2/2	1/1	N/A	1/1	0/1
Bian Wencheng	5/5	2/2	N/A	1/1	1/1	1/1
Fu Hongzhi	5/5	2/2	1/1	1/1	1/1	1/1

During the Year, the chairman of the Board had a meeting with the independent non-executive Directors without the presence of the other Directors.

APPOINTMENT AND RE-ELECTION OF THE DIRECTORS

Each of the executive Directors has entered into a service agreement with the Company pursuant to which he or she has agreed to act as an executive Director for a fixed term of one year with effect from the Listing Date. The term of service shall be renewed and extended automatically by one year on the expiry of such initial term and on the expiry of every successive period of one year thereafter, subject to early termination by either party in accordance with the terms of the service agreement and retirement by rotation and re-election pursuant to the Articles.

Each of the independent non-executive Directors has been appointed under a letter of appointment for a fixed term of one year commencing from the Listing Date. Such appointment is renewable automatically for successive term of one year each commencing after the expiry of the then current term, subject to early termination by either party in accordance with the terms of the letter of appointment and retirement by rotation and re-election pursuant to the Articles.

According to Provision B.2.2 of part 2 of the CG Code, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. By virtue of article 112 of the Articles, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first annual general meeting of the Company after his/her appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director so appointed shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

Furthermore, pursuant to article 108 of the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being will retire from the office by rotation. However, if the number of Directors is not three or a multiple of three, then the number nearest to but not less than one-third shall be the number of retiring Directors provided that every Director shall be subject to retirement by rotation at least once every three years. The Directors who shall retire in each year include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself/herself for re-election, and any Director who has not been subject to retirement by rotation in the three years preceding the annual general meeting, and any further Directors who have been longest in the office since their last re-election or appointment and so that as between persons who become or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

Pursuant to article 113 of the Articles, no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his/her willingness to be elected have been lodged at the head office or at the registration office. The period for lodgment of such notices will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such meeting and the minimum length of the period during which such notices to the Company may be given must be at least 7 days. The written notice must state that person's biographical details as required by Rule 17.50(2) of the GEM Listing Rules.

In accordance with the Articles, Mr. Yin Di, Mr. Yip Shek Lun and Mr. Hong Ming Sang will retire at the 2025 AGM and being eligible, will offer themselves for re-election.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors are persons with relevant academic and professional qualifications. They advise the Company on strategic development, which enables the Board to maintain high standards of compliance with financial and other regulatory requirements. In compliance with Rules 5.05(1), 5.05(2) and 5.05A of the GEM Listing Rules, the Company has appointed three independent non-executive Directors representing more than one-third of the Board and with at least one of whom having appropriate professional qualifications, or accounting or related financial management expertise.

Prior to their respective appointments, each of the independent non-executive Directors has submitted a written statement to the Stock Exchange confirming their independence. The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence pursuant to Rule 5.09 of the GEM Listing Rules and the Board considers all the independent non-executive Directors to be independent and meet the requirements as set out in Rule 5.09 of the GEM Listing Rules as at the date of this annual report.

Independence views to the Board

The Board recognises the Board's independence is critical to good corporate governance. The Company has put in place the mechanisms to ensure a strong independence element on the Board, which are summarised below:

(i) Board composition

The Board endeavours to ensure the appointment of at least three independent non-executive Directors and at least one-third of the Board members being independent non-executive Directors (or such higher threshold as may be required by the GEM Listing Rules from time to time).

Apart from complying with the requirements prescribed by the GEM Listing Rules as to the composition of certain Board committees, independent non-executive Directors will be appointed to other Board committees as far as practicable to ensure independent views are available.

(ii) Independence assessment

The Nomination Committee shall strictly adhere to the nomination policy and the independence assessment criteria as set out in the GEM Listing Rules with regard to the nomination and appointment of independent non-executive Directors.

Each independent non-executive Director is also required to inform the Company as soon as practicable if there is any change in his/her own personal particulars that may materially affect his/her independence.

The Nomination Committee is mandated to assess annually the independence of all independent non-executive Directors by reference to the independence criteria as set out in the GEM Listing Rules to ensure that they can continually exercise independent judgement.

(iii) Decision making

All Directors (including independent non-executive Directors) are entitled to seek further information and documentation from the management on the matters to be discussed at board meetings. They can also seek assistance from the Company's company secretary and, where necessary, independent advice from external professional advisers at the Company's expense.

All Directors (including independent non-executive Directors) shall not vote or be counted in quorum on any board resolution approving any contract or arrangement in which such Director or any of his/her close associates has a material interest.

The Board had made an annual review on the implementation of the above-mentioned mechanisms and was of the view that the above-mentioned mechanisms had been satisfactorily implemented.

DIRECTORS' PARTICIPATION IN CONTINUOUS PROFESSIONAL DEVELOPMENT

During the Year, in compliance with Provision C.1.4 of part 2 of the CG Code, the Directors received from the Company from time to time the updates on laws, rules and regulations which might be relevant to their roles, duties and functions as a director of a listed company. All Directors have been updated with the latest developments regarding the GEM Listing Rules and other applicable legal and regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. In addition, continuing briefings and professional development to the Directors will be arranged whenever necessary.

The individual training record of each Director received during the Year and up to the date of this report is summarised below:

Name of Director	Attending training course(s)/reading materials
Executive Directors	
Mr. Yin Di	✓
Mr. Yip Shek Lun	✓
Mr. Ng Chi Fung	✓
Ms. Wan Wai Ting	✓
Mr. Liu Liping	✓
Independent non-executive Directors	
Mr. Hong Ming Sang	✓
Mr. Bian Wencheng	✓
Ms. Fu Hongzhi	✓

AUDIT COMMITTEE

The Board has established an audit committee (the "**Audit Committee**") pursuant to a resolution of the Directors passed on 20 May 2015 with written terms of reference as revised on 31 December 2018 in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules. The written terms of reference of the Audit Committee were adopted in compliance with Provisions D.3.3 and D.3.7 of part 2 of the CG Code. The primary duties of the Audit Committee are, among other things, to make recommendations to the Board on the appointment, re-appointment and removal of external auditor, review the financial information, oversee our financial reporting process, internal control, risk management systems and audit process and perform other duties and responsibilities assigned by the Board.

As at the date of this report, the Audit Committee comprises three members, namely, Ms. Fu Hongzhi, Mr. Hong Ming Sang and Mr. Bian Wencheng, who are independent non-executive Directors. Ms. Fu Hongzhi who has appropriate professional qualifications and experience in accounting matters, is the chairman of the Audit Committee.

The Audit Committee held two meetings during the Year and has reviewed the Company's annual results for the year ended 31 March 2025 and the unaudited interim results during the Year as well as the Company's internal control procedures and risk management. Pursuant to the meeting of the Audit Committee held in June 2025, the Audit Committee has, together with the management of the Company and external independent auditor, reviewed the audited annual results of the Group for the Year and recommended approval by the Board.

REMUNERATION COMMITTEE

The Board has established a remuneration committee (the "**Remuneration Committee**") with written terms of reference in compliance with Rules 5.34 and 5.35 of the GEM Listing Rules. The written terms of reference of the Remuneration Committee were adopted in compliance with Provision E.1.2 of part 2 of the CG Code. The primary duties of the Remuneration Committee are to review and approve the management's remuneration proposals, make recommendations to the Board on the remuneration packages of the Directors and senior management and ensure none of the Directors determine their own remuneration.

As at the date of this report, the Remuneration Committee comprises three members, namely, Mr. Hong Ming Sang, Ms. Fu Hongzhi, both independent non-executive Directors, and Mr. Yip Shek Lun, an executive Director. Mr. Hong Ming Sang is the chairman of the Remuneration Committee.

During the Year, a Remuneration Committee meeting was held to review the remuneration policy of the Company and the remuneration packages of the Directors and senior management of the Group. For attendance record, please refer to page 44 of this report.

Pursuant to Provision E.1.5 of part 2 of the CG Code, the remuneration of the senior management by band for the Year is set out below:

In the band of	Number of individual
Nil – HK$1,000,000	1

Further Details of the Directors' remuneration and the five highest paid individuals are set out in notes 13 and 14 to the consolidated financial statements, respectively.

NOMINATION COMMITTEE

The Board has established a nomination committee (the "**Nomination Committee**") with written terms of reference in compliance with Provision B.3.1 of the CG Code. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board, and select or make recommendations on the selection of individuals nominated for directorships.

As at the date of this report, the Nomination Committee comprises three members, namely Ms. Fu Hongzhi, Mr. Bian Wencheng, both independent non-executive Directors, and Mr. Yip Shek Lun, an executive Director. Ms. Fu Hongzhi is the chairman of the Nomination Committee.

During the Year, a Nomination Committee meeting was held to review the composition of the Board. For attendance record, please refer to page 44 of this report.

FINANCIAL REPORTING

The Directors acknowledge their responsibilities for the preparation of the consolidated financial statements of the Group that give a true and fair view. In preparing the consolidated financial statements, the Hong Kong Financial Reporting Standards have been adopted, appropriate accounting policies have been used and applied consistently, and reasonable judgments and estimates have been made. The Board is not aware of any material uncertainties relating to the events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the ongoing concern basis in preparing the consolidated financial statements.

The responsibilities of the external auditor regarding their financial reporting are set out in the independent auditor's report for the Year as contained in this annual report.

AUDITOR'S REMUNERATION

The remuneration paid/payable to the Company's external auditor, SHINEWING (HK) CPA Limited (the "**Auditor**"), for the Year, is set out as follows:

Fees paid/payable

	HK$
Annual audit services	410,000
Non-audit services	–
Total	410,000

The amount of fees charged by the Auditor generally depends on the scope and volume of the Auditor's work. The Auditor did not provide any non-audit services to the Company for the Year.

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the Auditor during the Year.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board has developed the Group's internal control, risk assessment and management systems and has overall responsibility for reviewing and maintaining adequate and effective risk management and internal control systems to safeguard the interests of the Shareholders of the Company and the assets of the Group.

It evaluates the effectiveness of the systems at least annually to ensure the adequacy of resources, staff qualifications and budget of the Group's accounting and financial reporting functions. The Board understands that it is responsible for evaluating and determining the nature and extent of the risks and ensuring that the Group has established and maintained appropriate and effective risk management and internal control systems. The Board is also responsible for overseeing its risk management and internal control systems on an ongoing basis and reviewing the effectiveness of the risk management and internal control systems that have been conducted at least annually. The Board understands that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

An ongoing risk management approach is adopted by the Group for identifying and assessing the key inherent risks that affect the achievements of its objectives. The Group established a risk management framework where the Board and the management will discuss potential risks during board meetings and management meetings regularly. Management from different subsidiaries and departments voluntarily raise any issues that need attention and further discussions. The Board and senior management are closely involved in daily operation and monitor the potential risks with their understanding of the industry. When risks arise during business operations, they are assessed at management meetings and risk management actions are taken for significant risks. The Group prioritises risks identified during management meetings and significant risks are handled at once. Progress on the risks identified at previous meetings is followed up.

The Board has supervised the management in the design, implementation and monitoring of the risk management and internal control systems and evaluated the effectiveness of the Group's risk management and internal control systems during the Year. During the Year, the Group has conducted a review on whether there is a need for an internal audit department. In light of the size, nature and complexity of the Group's business, as opposed to diverting resources to establish a separate internal audit department, the Board, supported by the Audit Committee, is directly responsible for risk management and internal control systems of the Group and for reviewing its effectiveness. The Group will continue to review whether necessary changes should be made regarding the establishment of an independent internal audit department at the appropriate time.

The Board has conducted a review of the effectiveness of the risk management and internal control systems of the Group of the Year and considers them effective and adequate.

The Board has established a policy on the procedures and internal controls for the handling and dissemination of inside information. The policy stipulated the duty and responsibility of inside information announcement, restriction on sharing non-public information, handling of rumours, unintentional selective disclosure, exemption and wavier to the disclosure of inside information, and also compliance and reporting procedures. Every management of the Company must take all reasonable measures to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Company from time to time. They must promptly bring any possible leakage or divulgence of inside information to the attention of the chief executive officer, who will notify the Board accordingly for taking appropriate action promptly. For any material violation of this policy, the Board will decide, or designate appropriate persons to decide the course of actions for rectifying the problem and avoiding recurrence.

COMPANY SECRETARY

Ms. Kwok Wai Chun ("**Ms. Kwok**") was appointed as the company secretary of the Company with effect from 26 January 2024 pursuant to Rule 5.14 of the GEM Listing Rules, and she resigned as the company secretary with effect from 7 February 2025. Following Ms. Kwok's resignation, Ms. Tse Sau San ("**Ms. Tse**") was appointed as the company secretary with effect from 7 February 2025. On and effective from 30 May 2025, Ms. Tse resigned as the company secretary, and Mr. Yuen Sing Wai Lester was appointed as the company secretary.

During the Year, the secretaries serving the Company have complied with the relevant professional training requirement under Rule 5.15 of the GEM Listing Rules.

COMMUNICATION WITH SHAREHOLDERS

The Board believes that effective communication with investors is essential to build investors' confidence and attract new investors. The Group also recognizes the importance of transparency and timely disclosure of corporate information which enables investors to make the most informed investment decision. The Company has in place a Shareholders' Communication Policy to ensure that Shareholders' views and concerns are appropriately addressed. Such policy and its implementation are regularly reviewed to ensure its effectiveness. Pursuant to the Shareholders' Communication Policy, the Company holds general meetings regularly every year. The general meetings of the Company provide an important channel for communication between the Board and the Shareholders. Chairman of the Board, as well as chairmen of the Board committees or, in their absence, other members of the respective committees and where applicable, the independent Board committee, will be available to answer questions at the general meetings.

Published documents together with the latest corporate information and news are available on the Company's website at (www.guruonline.com.hk). The Company will (by post or by electronic means as permitted by the Articles or the GEM Listing Rules) corporate communications of the Company, which include annual reports, interim reports, notices of shareholders' meeting, listing documents, circulars, and proxy forms, to the Shareholders. Please refer to the Company's website for the arrangements of dissemination of corporate communications and the request form for printed copies of the annual reports, interim reports and circulars. Shareholders are encouraged to provide their up-to-date contact details (including electronic contact details) to the Hong Kong branch share registrar of the Company in order to facilitate timely and effective communications. The Board has reviewed the effectiveness and implementation of the Shareholders' Communication Policy and was of the view that, through the above-mentioned measures, the Shareholders' Communication Policy remained effective and was implemented effectively, to ensure that the Company maintains long-term effective and good communication with its shareholders.

SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. An annual general meeting of the Company shall be held each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting ("**EGM**").

Right to Convene EGMs and Procedures

Pursuant to article 64 of the Articles, the Board may, whenever it thinks fit, convene an EGM. Any one or more Shareholder(s) holding at the date of the deposit of the requisition not less than one tenth of the voting rights at general meetings on a one vote per Share basis in the share capital of the Company shall at all times have the right, by written requisition sent to the Board or the company secretary of the Company, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition.

If within 21 days from the date of the deposit of the requisition, the Board fails to proceed to convene such meeting, the requisitionist(s) may convene a meeting in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed by the Company to the requisitionist(s).

Right to Put Enquiries to the Board

Shareholders have the right to put enquiries to the Board. All such enquiries shall be put in writing and sent by post to the principal place of business of the Company in Hong Kong for the attention of the company secretary.

Shareholders may also make enquiries with the Board at the general meetings of the Company.

Right to Put Forward Proposals at General Meetings

Pursuant to article 64A of the Articles, any one or more Shareholders holding, at the date of deposit of the requisition, not less than one tenth of the voting rights at general meetings on a one vote per Share basis in the share capital of the Company shall have the right to, upon reasonable notice, raise requisition to the Board for adding resolutions to the meeting agenda of a general meeting.

Nomination of Directors by Shareholder

Any shareholder of the Company who wishes to nominate a person to stand for election as a Director at a general meeting must lodge with the company secretary of the Company within the lodgement period specified in the relevant shareholder circular (a) a written nomination of the candidate; (b) written confirmation from such nominated candidate of his/her willingness to stand for election; and (c) biographical details of such nominated candidate as required under the GEM Listing Rules. Particulars of the candidate so proposed will be sent to all shareholders for information by a supplementary circular.

CONSTITUTIONAL DOCUMENTS

The Board has proposed to make certain amendments to the existing amended to the existing articles of association (the "**Articles**") and to adopt a new Articles for the purposes of, among other things, adopting the paperless regime brought by the amendments to the GEM Listing Rules effective from 31 December 2023 and incorporating certain housekeeping changes (collectively, the "**Amendments**").

In view of the Amendments, the Board proposed to adopt an amended Memorandum and Articles of Association (the "**New Constitutional Document**"). The New Constitutional Document was adopted by the shareholders of the Company at the AGM of the Company held on 8 August 2024.

For details, please refer to the announcement of the Company dated 28 June 2024, the circular of the Company dated 28 June 2024 (the "**Circular**") and the supplemental announcement to the Circular dated 4 July 2024. Save as disclosed herein, there were no significant changes in the Company's constitutional documents during the year ended 31 March 2025.

INVESTOR RELATIONS

The Group has established a range of communication channels between itself and its Shareholders, investors and other stakeholders. All relevant corporate communication materials of the Company published on the Stock Exchange's website (www.hkexnews.hk) are posted on the Company's website (www.guruonline.com.hk) as soon as practicable after their release. The Company's constitutional documents are also available on the Company's website. Information on the website will be updated on a regular basis.

Share registration matters shall be handled for the Shareholders by the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OVERVIEW

The Board hereby presents this Environmental, Social and Governance ("**ESG**") Report (the "**Report**") of Guoen Holdings Limited (formerly known as Guru Online (Holdings) Limited) (the "**Company**") and its subsidiaries (collectively the "**Group**"), which aims to disclose the overall policies, commitments and strategies on the sustainable development of the Group.

The Report is prepared based on the ESG Reporting Guide (the "**Guide**") as set out in Appendix C2 of the GEM Listing Rules issued by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The Report complies with the "comply or explain" provisions set out in the ESG Reporting Guide for the Year through general disclosures of environmental and social information and key environmental performance indicators ("**KPIs**") which are considered to be relevant and material to the Group's businesses and operations.

A complete index in compliance with the ESG Reporting Guide is also available at the end of the Report for reference. Except for "comply or explain" provisions that the Group believes are not applicable to its operations, for which explanations have been provided in the said index, the Group has complied with all the "comply or explain" provisions as set out in the ESG Reporting Guide during the Reporting Period.

REPORTING PERIOD

Unless otherwise specified, the Report covers the Group's progress and performance on sustainability during the Year from 1 April 2024 to 31 March 2025.

REPORTING BOUNDARY

The Group is principally engaged in the provision of a wide range of integrated digital marketing services. The scope of the Report focuses on the environmental and social performance practices within the operational parameters of the Group in Hong Kong, Mainland China and Taiwan during the Year and it covers the data and information from the offices located in Hong Kong, Guangzhou, Taiwan and Nanjing, respectively. The Group continues strengthening information collection procedures in order to enhance our performance in the environmental realm and to disclose information relevant to sustainable development.

REPORTING PRINCIPLES

In line with the Guide, the Report has applied the following principles:

Materiality: In order to identify and assess major issues that have an impact on stakeholders, we have performed a materiality assessment by interviewing and conducting surveys with stakeholders to determine factors that have a significant impact on the sustainable development of the Group.

Quantitative: The Group has disclosed its environmental and social KPI calculation and numeric representation where appropriate.

Consistency: The Group adopts consistent methodologies when preparing the Report and the environmental and social KPIs to allow for meaningful comparison over time.

FEEDBACK

The Group welcomes stakeholders' feedback on our ESG approach and performance. Please share your views with us via the following contact methods.

Address: Unit 1201 & 16, 12/F, Two Harbour Square, No. 180 Wai Yip Street, Kwun Tong, Hong Kong
Tel: +852 3952 1100
Email: ad@guruonline.com.hk

BOARD STATEMENT

The Group believes that sound ESG performance is critically important to bolster the sustainable development of its business and community, and it is committed to promoting environmental protection, social responsibility and effective corporate governance for its long-term growth. We also integrate different environmental and social considerations into our daily operations to ensure full compliance to regulatory requirements and to reduce our environmental and social impacts.

The Board has the overall responsibility for deciding and reviewing corporate governance practices and activities across the Group as well as determining and directing the overall strategy and development of its operations and business. The senior management of the Group oversees the day-to-day compliance of ESG policies, identifies and addresses ESG-related risks and liaises with the Board to ensure the effective and proper operation of the relevant risk management and internal control procedures.

The Group values its stakeholders and their feedback regarding the business and ESG aspects. We conducted interviews with and surveys of the management, and internal and external stakeholders of the Group so as to understand their views on sustainable development.

STAKEHOLDER ENGAGEMENT

The Group believes that regular communication with stakeholders can help facilitate its growth. Thus, it remains committed to the sustainable development of its businesses and environmental protection as well as supporting the community in which it operates. The Group also maintains close ties with stakeholders, including its investors, management, customers, employees and business partners as well as the community and the general public. In this regard, the Group strives to consider their opinions and interests through constructive communications as it decides the general direction of its sustainable development. After assessing the views and opinions collected during the stakeholder engagement exercise, the key material ESG issues were found to mainly focus on social aspects. On the other hand, environmental aspects were considered less relevant to the Group.

Stakeholders Engaged by the Group		Concerned Topics	Engagement Channels
Internal Stakeholders	Management	• Employment and labour conditions • Health and safety • Professional development and training	• Regular meetings • Emails
	Employees	• Employment and labour conditions • Health and safety • Professional development and training	• Regular meetings • Appraisal meetings • Emails
External Stakeholders	Investors and Shareholders	• Financial performance • Compliance of operations	• Regular meetings • Annual general meeting • Annual and interim reports • Press releases and announcements
	Customers and Business Partners	• Product responsibility • Development and training	• Customer satisfaction survey • Company website • Visits and meetings
	Suppliers	• Supply chain management	• Supplier review and evaluation • Company website • Visits and meetings
	Public and Communities	• Involvement in social development	• Website information disclosed on HKEX and the Company • Liaison with the relevant bodies

The Group aims to collaborate with its stakeholders to improve its ESG performance and create greater value for the wider community on a continuous basis.

MATERIALITY ASSESSMENT

The Group conducted in the past a materiality assessment comprised of interviews and surveys of stakeholders, including its senior management, employees and other parties to assign a score to each sustainability issue according to its materiality to business operations in order to understand the order of priorities of different ESG issues in the Group's business. The major material ESG issues raised by stakeholders mainly focused on the social aspects. On the other hand, the environmental aspect was considered less relevant to the Group. Based on the stakeholders' feedback, the issues with social dimensions were identified as follows:

- Employment
- Health and Safety
- Development and Training
- Labour Standards
- Supply Chain Management
- Product Responsibility
- Anti-corruption
- Community Investment

ENVIRONMENTAL POLICIES AND PERFORMANCE

The management firmly believes that sound performance in relation to ESG aspects is essential for the sustainable operation of the Group's business, as well as its ability to contribute to society. It is therefore committed to environmental protection, which includes reducing the impact of its activities on the environment and complying with relevant environmental protection laws. These included but not limited to Waste Disposal Ordinance (Cap. 354), and Noise Control Ordinance (Cap. 400) of the Laws of Hong Kong. Accordingly, the Group is continuously seeking ways to achieve clean operations, including effectively managing resources and minimising wastes and emissions. The Group has also reached out to employees, educating them on environmental protection and encouraging their active involvement in activities that help protect the environment. The management will review its environmental practices in a timely manner and consider implementing additional measures to enhance environmental sustainability.

Emissions

The Group primarily provides integrated digital marketing services; hence, its operations do not produce significant hazardous wastes, Direct (Scope 1) Emission , NO_x, SO_x, PM and other pollutants or any discharge into water and land. However, greenhouse gas emissions are indirectly generated from electricity consumed at the Group's workplace with minimal emissions. Therefore, during the Year, the Group has promoted energy conservation as part of its holistic approach towards environmental protection, which also correlates with the Group's efforts to develop sustainable operations. Other measures have been implemented by the Group aimed at reducing its carbon footprint and conserving water resources. The Group has also introduced several waste management campaigns, including a paper recycling program. The Group's major source of non-hazardous waste in the office is paper waste with the volume about 0.24 tonnes (2024: 0.24 tonnes) and the intensity is about 3.13 kg/employee (2024: 3.04 kg/employee). The Group has promoted a paperless work environment to reduce paper waste. The Group has not found any evidence of significant waste from its operations being disposed at landfills during the year. Despite the non-hazardous waste generated during the Group's operations is minimal, it targets to further reduce its non-hazardous waste production by encouraging reuse of paper which has only been printed on one side. Paper recycling bins are also deployed at different locations in the office.

During the Year, the Group was not aware of any material non-compliance with relevant standards, rules and regulations relating to air and greenhouse gas emissions, discharge into water and land, and generation of hazardous and non-hazardous waste. The Group strictly complied with relevant laws and regulations relating to air pollutants and GHG emissions, discharge into water and land, and generation of hazardous and non-hazardous wastes. The relevant laws and regulations included but not limited to Environmental Protection Law of the PRC, Law of the PRC on the Prevention and Control of Atmospheric Pollution, Water Pollution Prevention and Control Law of the PRC Waste Disposal Ordinance (Cap. 354) of the Laws of Hong Kong, and Noise Control Ordinance (Cap. 400) of the Laws of Hong Kong.

Use of Resources

The Group primarily provides integrated digital marketing services, and the use of resources mainly includes an indirect energy consumption from electricity, water and paper consumption. The management has consequently established energy-saving and consumption-reduction measures to encourage all staff members to more efficiently utilise electricity, water and other resources. The Group has also adopted a series of environmental protection measures based on the principle of recycling and conservation. These measures include methods for reducing water consumption and paper usage, the latter involving practices such as using recycled paper for printing and photocopying and by double-sided printing and photocopying. Furthermore, employees are encouraged to switch off lights and air conditioning units when office areas are unoccupied so as to reduce energy consumption. Electricity and water saving notices are posted in office to remind our employees to save energy.

Based on the business nature, the Group has not identified any issue in sourcing water. The water consumption is limited to the water usage in the office which is supplied by the landlord of the properties and not by the Group, thus water usage is considered to have minimal effect to the Group's business operation. The Group will continue to enforce prevention control by encouraging all staff to follow the water saving practice as set by Group.

The use of packaging materials for finished products is not applicable to the Group due to the nature of business.

The Group has implemented the following measures with the target of reducing overall energy consumption:

1. Remind employees to switch off unnecessary electrical appliances when not in use.

2. Daily check to ensure lights are switch off after working hour.

During the Year, as office water usage was centrally managed by the property management office, independent and accurate data could not be obtained. Therefore, information related to water consumption is not included. A summary of other resource usage is as follows:

Energy Consumption

		For the year ended 31 March		
Indicators	**Unit**	**2025**	2024	**Change**
Total energy consumption	kWh	**68,689**	77,666	-12%
Intensity	kWh/employee	**880.6**	970.8	-9%

Water Consumption

		For the year ended 31 March		
Indicators	**Unit**	**2025**	2024	**Change**
Total water consumption	m^3	**N/A**	6.7	–
Intensity	m^3/employee	**N/A**	0.08	–

The Environment and Natural Resources

Since our core operations are confined to the office environment, the impact of the Group on the environment and natural resources is insignificant and is mainly attributable to the use of electricity, water and paper in the office.

The Group is fully committed to conserving resources and energy, and towards that end, seeks cooperation from all staff members. Among the methods for encouraging their compliance is the requirement for all staff to use access cards for unlocking and operating printers. The Group therefore has a record of paper usage by each employee, and can then monitor the individual's monthly usage of paper and take remedial action when necessary.

All staff are also required to observe the provisions of the staff handbook (the "**Staff Handbook**"), which include practices for conserving energy such as turning off all lights and electrical appliances when leaving the office outside normal working hours.

The Group has also sought ways to protect the environment, including the use of soy ink and FSC-certified paper for the publication of its quarterly and annual report. Furthermore, a corporate communication notification procedure is to be established for processing and dispatching notification and reply forms to/from CCASS non-registered holders. The results reports will only be issued at the request of shareholders after they have returned their reply forms, rather than being automatically dispatched to all shareholders as is the current practice.

Climate Change

The changing climate crisis will present many challenges for both society and business. Almost all industries are threatened by the effects of climate change. The Group strives to promote environmental conservation and raise environmental awareness among our employees. In an effort to reduce its carbon footprint and emissions, the Group actively monitors the energy consumption levels across its operations periodically to identify opportunities for increasing efficiency and reducing greenhouse gas emissions. Due to the nature of the Group's business, its primary concern is human resources. We have assessed the risks of climate change and adopted appropriate measures to ensure the safety of our employees and to react to extreme weather events. The Employee Handbook sets out the inclement weather arrangements to all employees on responding to typhoon and rainstorm warnings.

Greenhouse Gas Emission

		For the year ended 31 March		
Indicators	**Unit**	**2025**	2024	**Change**
Energy Indirect Emission (Scope 2)	tonnes of CO_2e	**28.80**	32.70	-12%
Total GHG Emission	tonnes of CO_2e	**28.80**	32.70	-12%
Intensity	tonnes of CO_2e/ employee	**0.37**	0.41	-10%

The Group has set environmental policies with the target of reducing its impact on the environmental and natural resources by using its resources more efficiently, and by monitoring and minimising its energy consumption and thereby lowering emissions as practicable as possible.

SOCIAL POLICY AND PERFORMANCE

Employment

The Staff Handbook contains the Group's current policies on human resources, including conditions of employment, rules and discipline, personal development, general policies, health and safety, and employee relations. Employees could thereby readily refer to the Group's policies on issues such as compensation, dismissal, recruitment, promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

The Staff Handbook also highlights the Group's commitment to providing equal opportunity to all staff and potential staff regardless of nationality, race, religion, sex or marital status in the application of employment practices, including recruitment, during employment, compensation, training and promotion. This commitment extends to the protection of all staff from sexual harassment, which includes uninvited or unwelcome physical, visual or non-verbal conduct of a sexual nature. Employees are advised to inform the human resources department when such instances occur. All related matters are to be dealt with in the strictest confidence, and formal feedback will be provided within five working days.

The management also regularly reviews the Group's remuneration policy in relation to relevant market standards. We strictly abide by the relevant employment laws and regulations in Hong Kong, including but not limited to Employment Ordinance (Cap. 57) and Minimum Wage Ordinance (Cap. 608) of the Laws of Hong Kong.

During the Report Period, the Group was not aware of any material non-compliance with applicable standards, rules and regulations relating to employment.

As of 31 March 2025, our total number of staff was 78 (2024: 80). The following is the employee structure:

		For the year ended 31 March	
	Unit	2025	2024
Number of employees[1]			
By gender			
Male	Employees	**18**	22
Female	Employees	**60**	58
By age group			
20–30	Employees	**43**	46
31–40	Employees	**30**	31
Over 40	Employees	**5**	3
By employment type			
Permanent	Employees	**78**	80
Part-time	Employees	**0**	0
By region			
Hong Kong	Employees	**50**	53
Mainland China	Employees	**28**	27
Employee turnover rate[2]			
By gender			
Male	%	**50.0**	34.1
Female	%	**30.0**	89.7
By age group			
20–30	%	**48.8**	76.1
31–40	%	**16.7**	32.3
Over 40	%	**20.0**	100.0
By region			
Hong Kong	%	**28.0**	45.3
Mainland China	%	**46.4**	92.6

Notes:

1. To reflect the actual situation, the number of employees by gender for 2024 has been restated after a recount.

2. Employee turnover rate = number of employees who leave employment in the Year/number of employees at the end of the Year.

Health and Safety

Health and safety are important concerns of the Group, and are considered in relation to all aspects of its business operations in alignment with the view that its employees are its most valuable asset. The Group is therefore committed to providing employees with a safe, pleasant and healthy working environment. The principal office of the Group is located at Unit 1201 & 16, 12/F, Two Harbour Square, No. 180 Wai Yip Street, Kwun Tong, Hong Kong with a gross floor area (GFA) of approximately 6,085 sq ft. It provides facilities for employees to relax, gather and have informal meetings.

All staff members are alerted to the emergency evacuation guidelines conspicuously posted around the office, and are expected to be familiar with safety procedures in case of fire or similar emergencies. To reinforce such familiarity, fire drills are conducted on a regular basis to highlight the escape routes. All employees are also encouraged to inform relevant departments whenever they notice any potential or apparent health and safety hazards so as to protect the well-being of all staff.

In the wake of the Pandemic, the Group has implemented stringent infection preventive measures to protect its employees, such as daily body temperature measurement, providing sufficient surgical masks and alcohol-based hand rub solutions at the offices; opening office windows where possible to maintain adequate ventilation. Employees were required to wear masks in the office area at all times and meetings were held via an online video meeting software to avoid face-to-face contact and overseas business trips. Since February 2020, employees have been allowed to work from home but they were asked to submit daily progress reports to the human resources department.

As always, regular inspections and management review of health and safety conditions are performed by the Group to ensure the effectiveness of relevant policies and measures. During the Year, the Group was not aware of any material non-compliance with applicable standards, rules and regulations relating to health and safety aspects.

The Group shows its genuine care for its employees by promoting a work-life balance to advance both health and career development. To this end, it provides a wide range of facilities including an outdoor balcony, table tennis tables, badminton rackets and a basketball equipment to encourage an active lifestyle. With respect to employees who are also nursing mothers, the Group has upgraded its offices to include rooms for such employees to express milk with privacy.

For the Year, the Group is in compliance with all relevant laws and regulations, including but not limited to Fire Services Ordinance (Cap. 95) of the Laws of Hong Kong, by ensuring that the employees are working in a safe environment in respect to health, hygiene, ventilation, gas safety, building structure and emergency exits.

Health and Safety Indicators

	For the year ended 31 March		
Indicators	**2025**	2024	2023
Number of lost days due to work injury	**Nil**	Nil	Nil
Number of work-related fatalities	**Nil**	Nil	Nil
Rate of work-related fatalities	**Nil**	Nil	Nil

Development and Training

The management is committed to the professional development of staff, and encourages its employees to attend relevant courses, seminars and conferences, as well as in-house training organised by the Company. Complementing these efforts, we also arrange for guest speakers to provide information on the latest developments within the integrated digital market as well as weekly internal training for employees presented by a team comprised by their colleagues.

In providing the opportunity to pursue a meaningful and rewarding career with the Company, the line management will inform our staff of their responsibilities and the standards required when completing tasks, and will give support and assistance when needed. Staff are welcome to speak with their department head if they have any enquiries. A formal assessment interview by the line management is conducted once a year, whereas managers appraise staff on an ongoing basis in an opportunity for two-way feedback.

Development and Training Indicators in Hong Kong

	Unit	**For the year ended 31 March 2025**
Average number of hours of training per employee	Hours	**114**

	Unit	For the year ended 31 March 2025	2024
Percentage of employees trained			
By gender			
Male	%	**88**	83
Female	%	**90**	85
By employee category			
Senior management	%	**95**	96
Medium-level management	%	**90**	85
General staff	%	**83**	81
Average training hours per employee			
By gender			
Male	Hours	**100.3**	89.6
Female	Hours	**102.6**	91.8
By employee category			
Senior management	Hours	**108.3**	103.7
Medium-level management	Hours	**102.6**	91.8
General staff	Hours	**94.6**	87.5

Moreover, the Group is convinced that a sense of belonging and morale of the employees are always the key drivers to maintaining healthy growth. The Group therefore seeks to create a distinct corporate culture that advocates teamwork and collaboration.

Labour Standards

Consistent with the Group's belief that its staff are its most important asset, it strictly complies with relevant employment rules and regulations pertaining to working hours, probationary period, remuneration, bonus scheme, employee benefits, mandatory provident fund, special leave of absence, etc. These laws and regulation included but not limited to Employment of Children Regulations (Cap. 57B) and Mandatory Provident Fund Schemes Ordinance (Cap. 485) of the Laws of Hong Kong. The management strives to provide a work environment where staff can grow professionally and contribute to the Group. Correspondingly it has established a "Work and Development Policy" that creates a formal communication line linking supervisors with their subordinates; enabling exchanges regarding matters such as performance evaluation, feedback, career planning and remuneration. When a staff member elects to leave the Company, an exit interview is conducted during which the departing employee completes a questionnaire which enables the management to better understand the reasons behind the decision and assess its own performance.

Prior to confirmation of employment, the Group requires the job applicant to provide a valid identity document to verify that the applicant is lawfully employable, and ensure full compliance with relevant laws and regulations that prohibit child and forced labour.

The Group also strives to provide a rewarding employment experience for interns. Towards this objective, it has established internship policies and a procedure manual for guiding its managers, supervisors and human resources professionals in hiring interns.

When an instance of forced labour comes to light, immediate action as stipulated by the relevant legislation is taken. The employee in question is immediately removed from the workplace. The human resources department is asked to verify all relevant information and confirm whether the employee is in fact an instance of forced labour.

For the Year, the Group was not aware of any material non-compliance with applicable standards, rules and regulations relating to child or forced labour.

Supply Chain Management

Even though the Group's business has no significant impact on the environment, the management continuously monitors all business operations with the view towards reducing any possible negative impact on the environment or on society. Such scrutiny extends to supplier management, with the Group placing emphasis on service quality during the selection process of all suppliers. The required quality includes the suppliers' compliance with relevant codes and practices pertaining to environmental protection. Also, as part of the engagement process, the Group selects more than one supplier for comparison purposes, thus ensuring that the most suitable candidate is selected.

Supply Chain Indicators

Total number of suppliers

By Region	For the year ended 31 March 2025
Hong Kong	**188**
Mainland China	**69**
Others	**23**

The Group will conduct audit and risk rating for all suppliers on a yearly basis. If any of the suppliers are found to seriously violate their agreed responsibilities and operating procedures, the Group will terminate cooperation with them to ensure that the performance in terms of quality, environment and safety along the supply chain is in line with the Group's policy.

Product Responsibility

The Group is fully committed to the protection of personal data and intellectual property rights by abiding by relevant laws and regulation in Hong Kong, including but not limited to Personal Data (Privacy) Ordinance (Cap. 486) and Copyright Ordinance (Cap. 528) of the Laws of Hong Kong. Employees are expected to comply with these areas as outlined in the staff Handbook.

In respect of consumer data, the Staff Handbook clearly states that such information must be carefully used and must not be disclosed to unauthorised persons. Where uncertainties exist in terms of processing consumer data, all staff members must contact the human resources department for guidelines and advice on general obligations under legislation and best business practices.

With regard to the protection of intellectual property rights, all employees understand that all works made by them in the course of their employment are the property of the Group, and that they are obligated to promptly disclose and deliver to the Group for its exclusive use any and all such property upon its request. Also, all staff shall cooperate with the Group in executing assignments as necessary from time to time and to vest all rights in the Group as the legal and beneficial owner of any and all such related works. Furthermore, both during employment and upon departure from the Group, no conduct shall be undertaken that might affect or imperil the validity of protection of the intellectual property rights obtained, or applied for, by the Group. The Group also fully respects the intellectual property rights of its customers and has signed non-disclosure agreements.

To ensure the Group's is delivering high-quality service to the customers, all product and marketing solutions will be reviewed and approved by at least one senior. If any complaint is received, it will be forwarded to the appropriate department for analysis and evaluation of the situation. The team will work towards finding a solution and responding to the client as soon as practicable. The complaint and any feedback from the customer will be documented, and the team will share their experience in handling similar complaints to improve their approach in the future. There were no recalls or complaints concerning the provision and use of the Group's products and services that have a material impact on our operations and recall procedures are not material to the Group's operations.

For the Year, the Group was not aware of any material non-compliance with applicable standards, rules and regulations relating to health and safety, advertising and labeling, and privacy matters relating to products and services provided and methods of redress.

Product Responsibility Indicators

	For the year ended 31 March 2025
Total number of complaints received	–

Anti-corruption

The Group understands that to maintain its considerable standing in the global digital marketing field, maintaining the utmost professionalism in respect of business conduct is paramount. Correspondingly, all employees must enter into a declaration of confidentiality and maintain high standards of honesty and fairness when conducting work for the Group. The Group expects employees not only to abide by the content provisions of the Staff Handbook, but also by the spirit of the document, as well as the rules and regulations of regulatory authorities and the law. These are not limited to the Prevention of Bribery Ordinance (Cap. 201) and Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) of the Laws of Hong Kong.

Furthermore, all staff should take reference to the Group's code of conduct with regard to guarding against corruption. The code sets out ethical standards relating to conduct in the course of obtaining business, personal benefits, use of information, and outside employment, among other important issues.

The Group has also established policies and procedures for countering money laundering. Updated training on anti-money laundering, anti-bribery and anti-corruption is periodically provided to Directors and employees. The Group prohibits employees from soliciting, accepting or offering any bribes in conducting business or affairs. A whistle blowing mechanism is provided by the Group and every possible step is taken to protect the confidentiality of the whistle-blower. Review of the effectiveness of internal control systems and procedures is also conducted on a regular basis for the prevention of corruption.

During the Year, there were no complaints of corruption concerning the Group or any of its staff and the Group was not aware of any material non-compliance with applicable standards, rules and regulations relating to bribery, extortion, fraud and money laundering.

Anti-corruption Indicator

	For the year ended 31 March 2025
Number of concluded legal cases regarding corrupt practices bought against the issuer or its employee	–

Community Investment

The Group fully understands the importance of giving back to the community, which includes ensuring that the young generation has a strong start in life. Consistent with this view during the Year, the Group contributed its time in exploring collaboration opportunities with reputable organisations to support community programmes, in particular with educational or medical institutions when appropriate, so as to meet the needs and expectations of the community. The Group takes the initiative to continuously contribute to building a caring and cohesive society in order to achieve corporate social responsibility goals. Awareness of these goals and activities is cultivated among employees and further encouraged at all levels of the Group.

The Group will continue to regularly review the goals and direction of community investment, and monitor community investment, sponsorship and donation activities and approval policies. In addition, the Group will annually review whether its social performance meets the goals of community investment policies and community activities, supervise and enhance team capabilities, and ensure that community investment policies are implemented in all departments.

LOOKING AHEAD

The Group considers that the currently implemented environmental protection and social responsibility measures are sufficient for complying with relevant laws and regulations. However, the Group will continue to keep abreast of the updated relevant requirements and conduct periodic reviews, striving to strengthen environmental protection and social responsibility practices.

HKEX'S LISTING RULE APPENDIX C2 "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" CONTENT INDEX

Subject area	Content	Section in the ESG Report
Mandatory Disclosure Requirement		
Governance Structure	A statement from the board containing the following elements: (i) disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's business); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's business.	Board Statement
Reporting Principles	A description of, or an explanation on, the application of the reporting principles (materiality, quantitative, and consistency) in the preparation of the ESG Report.	Reporting Principles
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG Report and describing the process used to identify which entities or operations are included in the ESG Report.	Reporting Boundary
A. Environment Aspect		
A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issue relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Policies and Performance
KPI A1.1	The types of emissions and respective emissions data.	Considered to be immaterial in an office-based operation
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and intensity (e.g. per unit of production volume, per facility).	Emissions and Climate Change
KPI A1.3	Total hazardous waste produced (in tonnes) and intensity (e.g. per unit of production volume, per facility).	Considered to be immaterial in an office-based operation
KPI A1.4	Total non-hazardous waste produced (in tonnes) and intensity (e.g. per unit of production volume, per facility).	Emissions

Subject area	Content	Section in the ESG Report
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions
A2: Use of Resources Aspect		
General Disclosure	Policies on the efficient use of resources, including energy, water, and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Energy Consumption
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water Consumption
KPI A2.3	Description of energy use efficiency target(s) set and steps are taken to achieve them.	Use of Resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set, and steps taken to achieve them.	Use of Resources
KPI A2.5	Total packing materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable in view of the Company's business nature
A3: The Environment and Natural Resources Aspect		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources
A4: Climate Change Aspect		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change

Subject area	Content	Section in the ESG Report
B. Social Aspect		
B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment, and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
KPI B1.1	Total workforce by gender, employment type, age group, and geographical region.	Employment
KPI B1.2	Employee turnover rate by gender, age group, and geographical region.	Employment
B2: Health and Safety Aspect		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the Reporting Period.	Health and Safety Indicators
KPI B2.2	Lost days due to work injury.	Health and Safety Indicators
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
B3: Development and Training Aspect		
General Disclosure	Policy on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training Indicators in Hong Kong
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training Indicators in Hong Kong

Subject area	Content	Section in the ESG Report
B4: Labour Standards Aspect		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards
B5: Supply Chain Management Aspect		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Indicators
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Indicators
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
B6: Product Responsibility Aspect		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling, and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	There were no recalls concerning the provision of the Group's services that have a significant impact on our operation

Subject area	Content	Section in the ESG Report
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Product Responsibility Indicators
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility
KPI B6.4	Description of quality assurance process and recall procedures	Recall procedures are not material to the Group's operation
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility
B7: Anti-corruption Aspect		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud, and money laundering.	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Anti-corruption Indicators
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
B8: Community Investment Aspect		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investments
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investments
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investments

INDEPENDENT AUDITOR'S REPORT

SHINEWING (HK) CPA Limited
17/F, Chubb Tower, Windsor House,
311 Gloucester Road,
Causeway Bay, Hong Kong

信永中和(香港)會計師事務所有限公司
香港銅鑼灣
告士打道311號
皇室大廈安達人壽大樓17樓

TO THE SHAREHOLDERS OF GUOEN HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Guoen Holdings Limited (the "**Company**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") set out on pages 81 to 161, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

Recoverability of trade receivables

Refer to note 22 to the consolidated financial statements and the accounting policies on pages 105 to 109.

The key audit matter	How the matter was addressed in our audit
As at 31 March 2025, the Group had significant trade receivables of approximately HK$44,031,000. In view of the significant balance which accounted for approximately 53% of total current assets, the recoverability of trade receivables posed significant risk on the Group's liquidity. Loss allowances for trade receivables are based on management's estimate of the lifetime expected credit losses ("**ECL**") to be incurred, which is estimated by taking into account the credit loss experience, ageing of trade receivables, customers' repayment history and customers' financial position and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgements and estimations.	Our audit procedures to assess the recoverability of trade receivables included the following: • evaluating techniques and methodology adopted in the ECL model against the requirements of HKFRS 9; • assessing, on a sample basis, the ageing profile of the trade receivables as at 31 March 2025 to the underlying financial records and post year end settlements to bank receipts; • inquiring of management for the status of the material past due trade receivables as at year end and corroborating explanations from management with supporting evidence, such as performing public search of selected customers, understanding on-going business relationship with the customers based on their trade records; and • assessing the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information and examining the actual losses recorded and assessing whether there was an indication of management bias when recognising loss allowances.

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

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS OF THE COMPANY AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion, solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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

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

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

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Pang Wai Hang.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Pang Wai Hang
Practising Certificate Number: P05044

Hong Kong
19 June 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	NOTES	**2025** **HK$'000**	2024 HK$'000
Revenue	7	**161,345**	116,129
Cost of services		**(136,224)**	(90,113)
Gross profit		**25,121**	26,016
Other income or gains, net	9	**565**	315
Selling expenses		**(5,484)**	(4,900)
Administrative expenses		**(21,285)**	(18,627)
Finance costs	10	**(248)**	(185)
Impairment loss on amount due from an associate		**(29)**	(16)
(Provision of) reversal of impairment loss on trade receivables, net		**(1,072)**	627
Change in fair value of financial assets at fair value through profit or loss		**1,407**	(63)
(Loss) profit before tax		**(1,025)**	3,167
Income tax expense	11	**(68)**	–
(Loss) profit for the year attributable to owners of the Company	12	**(1,093)**	3,167
Other comprehensive (expense) income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translating foreign operations		**(49)**	337
Other comprehensive (expense) income for the year		**(49)**	337
Total comprehensive (expense) income for the year attributable to owners of the Company		**(1,142)**	3,504
			(Restated)
(Loss) earnings per share			
Basic and diluted (HK cent)	16	**(0.06)**	0.26

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	NOTES	**2025** **HK$'000**	2024 HK$'000
Non-current assets			
Plant and equipment	17	**997**	1,268
Right-of-use assets	19	**1,296**	2,852
Investment property	18	**1,113**	1,148
Interests in associates	20	**–**	–
Deposits	23	**460**	460
		3,866	5,728
Current assets			
Inventories	21	**829**	–
Trade receivables	22	**44,031**	34,535
Deposits, prepayments and other receivables	23	**6,970**	4,328
Amount due from an associate	24	**200**	200
Financial assets at fair value through profit or loss	25	**2,207**	2,283
Bank balances and cash	26	**29,391**	20,958
		83,628	62,304
Current liabilities			
Trade and other payables	27	**24,438**	21,197
Accrued expenses	28(a)	**3,759**	4,436
Amount due to a related company	35	**619**	–
Tax payable		**174**	129
Lease liabilities	19	**1,395**	1,679
Contract liabilities	28(b)	**13,232**	12,822
		43,617	40,263
Net current assets		**40,011**	22,041
Total assets less current liabilities		**43,877**	27,769
Non-current liabilities			
Amount due to a shareholder	30	**2,090**	713
Lease liabilities	19	**19**	1,384
		2,109	2,097
		41,768	25,672

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	NOTES	**2025**	2024
		HK$'000	HK$'000
Capital and reserves			
Share capital	31	**250**	16,672
Reserves		**41,518**	9,000
Total equity		**41,768**	25,672

The consolidated financial statements on pages 81 to 161 were approved and authorised for issue by the board of directors on 19 June 2025 and are signed on its behalf by:

Yip Shek Lun
Director

Wan Wai Ting
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Share capital HK$'000	Share premium HK$'000	Exchange reserve HK$'000	Other reserve (Note) HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2023	16,672	78,559	(810)	48,903	(123,305)	20,019
Profit for the year	–	–	–	–	3,167	3,167
Other comprehensive income						
– Exchange differences arising on translating foreign operations	–	–	337	–	–	337
Other comprehensive income for the year	–	–	337	–	–	337
Total comprehensive income for the year	–	–	337	–	3,167	3,504
Deemed capital contribution arising from non-current interest-free shareholder's loan (note 30)	–	–	–	2,149	–	2,149
At 31 March 2024	16,672	78,559	(473)	51,052	(120,138)	25,672

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Share capital HK$'000	Share premium HK$'000	Exchange reserve HK$'000	Other reserve (Note) HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2024	**16,672**	**78,559**	**(473)**	**51,052**	**(120,138)**	**25,672**
Loss for the year	–	–	–	–	(1,093)	(1,093)
Other comprehensive expenses						
– Exchange differences arising on translating foreign operations	–	–	(49)	–	–	(49)
Other comprehensive expenses for the year	–	–	(49)	–	–	(49)
Total comprehensive expenses for the year	–	–	(49)	–	(1,093)	(1,142)
Deemed capital contribution arising from non-current interest-free shareholder's loan (note 30)	–	–	–	2,038	–	2,038
Transactions with owners						
Shares consolidation (note 31)	(16,589)	–	–	–	16,589	–
Issue of shares by way of rights issue (note 31)	167	17,172	–	–	–	17,339
Share issue expenses of rights issue (note 31)	–	(2,139)	–	–	–	(2,139)
At 31 March 2025	**250**	**93,592**	**(522)**	**53,090**	**(104,642)**	**41,768**

Note: Included in other reserve of HK$46,657,000 represented the difference between the nominal amount of the share capital and share premium of AdBeyond Holdings Limited and the nominal amount of the share capital issued by the Company pursuant to the group reorganisation on 16 May 2015. The remaining balances are deemed capital contribution arising from non-current interest-free shareholder's loan.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	2025	2024
	HK$'000	HK$'000
OPERATING ACTIVITIES		
(Loss) profit before tax	(1,025)	3,167
Adjustments for:		
Finance costs	248	185
Bank interest income	(228)	(182)
Dividends income	(20)	(18)
Depreciation of plant and equipment	490	610
Depreciation of investment property	35	34
Depreciation of right-of-use assets	1,628	1,698
Provision of (reversal of) impairment loss recognised in respect of trade receivables	1,072	(627)
Impairment loss on amount due from an associate	29	16
Gain on early termination of lease	–	(19)
(Gain) loss on fair value changes of financial assets at fair value through profit or loss	(1,407)	63
Operating cash flows before movements in working capital	822	4,927
Increase in inventories	(829)	–
(Increase) decrease in trade receivables	(10,598)	2,373
Increase in deposits, prepayments and other receivables	(2,649)	(1,103)
Increase (decrease) in trade and other payables	3,472	(5,548)
Decrease in accrued expenses	(673)	(886)
Increase in contract liabilities	423	4,833
CASH (USED IN) FROM OPERATIONS	(10,032)	4,596
Income taxes refund	–	28
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(10,032)	4,624

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	2025	2024
	HK$'000	HK$'000
INVESTING ACTIVITIES		
Bank interest received	**228**	182
Dividends received from financial assets at fair value through profit or loss	**20**	18
Proceeds from disposal of financial assets at fair value through profit or loss	**2,883**	3,340
Purchase of financial assets at fair value through profit or loss	**(1,400)**	(5,686)
Purchase of plant and equipment	**(221)**	(867)
Advance to associates	**(29)**	(16)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	**1,481**	(3,029)
FINANCING ACTIVITIES		
Advance from a shareholder	**3,250**	2,550
Advance from a related company	**619**	–
Interest paid on lease liabilities	**(83)**	(129)
Repayment of lease liabilities	**(1,806)**	(1,497)
Proceeds from issues of shares under rights issue	**15,200**	–
NET CASH FROM FINANCING ACTIVITIES	**17,180**	924
NET INCREASE IN CASH AND CASH EQUIVALENTS	**8,629**	2,519
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**20,958**	18,491
Effect of foreign exchange rate changes	**(196)**	(52)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash	**29,391**	20,958

1. GENERAL

Guoen Holdings Limited (the "**Company**") was incorporated on 10 January 2014 in the Cayman Islands as an exempted company with limited liability under the Companies Law (as revised) of the Cayman Islands. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are set out in note 37.

Other than those subsidiaries of the Company established in the People's Republic of China (the "**PRC**"), Taiwan, Singapore and Macau whose functional currency are Renminbi ("**RMB**"), New Taiwan dollar ("**NTD**"), Singapore dollar ("**SGD**") and the Macanese pataca ("**MOP**"), the functional currency of the remaining subsidiaries of the Company is Hong Kong dollar ("**HK$**").

The consolidated financial statements of the Company and its subsidiaries (hereinafter collectively referred to as the "**Group**") are presented in HK$, which is also the functional currency of the Company.

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES

Application of amendments to HKFRS Accounting Standards

In the current year, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") which are effective for the Group's financial year beginning on 1 April 2024:

Amendments to HKFRS 16	Lease liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and the related amendments to Hong Kong Interpretation 5 (2020) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES *(Continued)*

New and amendments to HKFRS Accounting Standards issued but not yet effective

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

HKFRS 18	Presentation and Disclosure in Financial Statements[3]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures[3]
Amendments to HKAS 21	Lack of Exchangeability[1]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments [2]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[2]

1 Effective for annual periods beginning on or after 1 January 2025.
2 Effective for annual periods beginning on or after 1 January 2026.
3 Effective for annual periods beginning on or after 1 January 2027.
4 Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that except below, the application of the new and amendments to HKFRS Accounting Standards will have no material impact on the results and financial position of the Group.

HKFRS 18 – Presentation and Disclosure in Financial Statements

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace HKAS 1 Presentation of Financial Statements. HKFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to HKAS 7 "Statement of Cash Flows" and HKAS 33 "Earnings per Share" are also made.

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of the HKFRS 18 is not expected to have material impact on the financial position of the Group. The directors are in the process of making an assessment of the impact of HKFRS 18, but is not yet in a position to state whether the adoption would have a material impact on the presentation and disclosures of consolidated financial statements of the Group.

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES *(Continued)*

New and amendments to HKFRS Accounting Standards issued but not yet effective *(Continued)*

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments include requirements on classification of financial assets with environmental, social or governance (ESG) targets and similar features; settlement of financial liabilities through electronic payment systems; and disclosures regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent feature.

The amendments are effective for annual periods beginning on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only. The directors are currently assessing the impact of these amendments.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, at the end of each reporting period, 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. Details of fair value measurement are explained in the accounting policies set out below.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

The material accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. If a subsidiary prepares its financial statements using accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiary's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

The Company 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.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement 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 component of other comprehensive income of subsidiaries are attributed to the owners of the Company. Total comprehensive income of subsidiaries is attributed to the owners of the Company.

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

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

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 consolidated financial statements using the equity method. Under the equity method, investments in associates are initially recognised at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associates. If the Group's share of losses of an associate equals or exceeds its interest in the associate, which includes 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 provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

If an associate uses accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made to make the associate's accounting policies conform to those of the Group when the associate's financial statements are used by the Group in applying the equity method.

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, any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of the associate is recognised as goodwill and is included in the carrying amount of the investment.

The requirements of HKAS 36 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 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the net investment subsequently increases.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Investments in associates *(Continued)*

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate. 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 HKFRS 9. 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 or 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 associate is disposed of.

Gains and losses resulting from transactions between the Group and its associate are recognised in consolidated financial statements only to the extent of unrelated investors' interests in the associate that are unrelated to the Group. The Group's share in the associate's gains or losses resulting from these transactions is eliminated.

Revenue recognition

Revenue is recognised 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 Group uses 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

The Group recognised 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 customers.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Revenue recognition *(Continued)*

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The Group's performance creates and enhances an asset that the customer controls as the asset is created and enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or service.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

The Group recognised revenue from the following major sources:

- digital advertisement placement services
- social media management services
- creative and technology services

Revenue from digital advertisement placement services and social media management services are recognised over time on a straight line basis over the service period.

Revenue from creative and technology services are recognised over time or at a point in time with reference to the detailed terms of the transactions as stipulated in the contract entered into with its customers and counterparties. Certain revenue from provision of services involving design and copywriting of digital advertisements, production of corporate profile pages, website and apps is recognised at a point in time at the end of contract period upon the acknowledgement by the customer. For remaining revenue, the progress towards complete satisfaction of a performance obligation is measured based on output method and is recognised overtime.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Revenue recognition *(Continued)*

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation (Output method)

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Contract assets and contract liabilities

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

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

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Leasing

Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as lessee

For contracts entered into or modified on or after the date of initial application or arising from business combinations, the Group assesses whether a contract is or contains a lease, at inception of the contract or modification date or acquisition date, as appropriate. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less from the commencement date do not contain a purchase option) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

At the commencement date, the Group measures lease liabilities at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Leasing *(Continued)*

The Group as lessee *(Continued)*

Lease liabilities (Continued)

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease liability is remeasured (and with a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using revised discount rate.

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under HKAS 37 "Provision, Contingent Liabilities and Contingent Assets". The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Leasing *(Continued)*

The Group as lessee *(Continued)*

Right-of-use assets (Continued)

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. They are depreciated over the shorter period of lease term and useful life of the underlying asset.

The Group presents right-of-use assets as a separate line in the consolidated statement of financial position.

The Group applies HKAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

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 at 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 at 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, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in other comprehensive income and accumulated in equity and will be reclassified from equity to profit or loss on disposal of the foreign operation.

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated 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 exchange reserve.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Retirement benefits costs and termination benefits

Payments to the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognised immediately in the consolidated statement of financial position with a charge or credit to other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income will not be reclassified to profit or loss. Past service cost is recognised in profit or loss when the plan amendment or curtailment occurs, or when the Group recognises related restructuring costs or termination benefits, if earlier. Gains or losses on settlement of a defined benefit plan are recognised when the settlement occurs. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset.

Defined benefit costs are categorised as:

- service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements;
- net interest expense or income; and
- remeasurements.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Retirement benefits costs and termination benefits *(Continued)*

Short-term and other long-term employee benefits *(Continued)*

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

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 (loss) profit before tax as reported in the consolidated statement 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 consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

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.

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

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Taxation *(Continued)*

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 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.

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

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

Current and deferred tax 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Plant and equipment

Plant and equipment are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and subsequent 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.

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 the 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.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of property (calculated as difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the weighted average method. Net realisable value of inventories represents the estimated selling price less the estimated costs of completion and costs necessary to make the sale.

Cash and cash equivalents

In the consolidated statement of financial position, cash and bank balances comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of bank balances and cash as defined above.

Investments in subsidiaries

Investments in subsidiaries are stated on the statement of financial position of the Company at cost less accumulated impairment loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement 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, except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

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.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial asset. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, financial assets at fair value through other comprehensive income ("**FVTOCI**"), and financial assets at fair value through profit or loss ("**FVTPL**").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the 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.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Financial assets at amortised cost (debt instruments) (Continued)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

(i) Amortised cost and 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.

For financial assets other than purchased or originated credit impaired financial assets (i.e. assets that are credit impaired on initial recognition), 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) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

Interest income is recognised in profit or loss and is included in the "Other income or gains, net" line item (note 9).

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship.

The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the consolidated statement of profit or loss and other comprehensive income. Fair value is determined in the manner described in note 6.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated individually based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forward-looking information at the reporting date, including time value of money where appropriate.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets (Continued)

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

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- internal credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets (Continued)

Significant increase in credit risk *(Continued)*

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

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) the debt instrument has a low risk of default, (ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

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

Definition of default

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

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets (Continued)

Definition of default *(Continued)*

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

Credit-impaired financial assets

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

– significant financial difficulty of the issuer or the borrower;

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

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

– it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

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

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets (Continued)

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

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 party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

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 and the definitions of a financial liability and an equity instrument.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity instruments *(Continued)*

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 a group entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not (1) contingent consideration of an acquirer in a business combination, (2) held-for-trading, or (3) designated as at FVTPL, are subsequently measured at amortised cost using the 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 amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Impairment losses on plant and equipment, right-of-use assets and investment property

At the end of the reporting period, the Group reviews the carrying amounts of its plant and equipment, right-of-use assets and investment property 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. The recoverable amounts of plant and equipment, right-of-use assets and investment property are estimated individually. 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. When 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 of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) 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. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Fair value measurement

When measuring fair value, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follow:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. 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.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Critical judgments in applying accounting policies

The following are the critical judgments, 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 and disclosures made in the consolidated financial statements.

Significant influence over an associate

As per note 20, the directors of the Company considered that Qooza Interactive Limited, in which the Group has 13% equity interest, is an associate of the Group as the Group has significant influence over Qooza Interactive Limited by virtue of its contractual right to appoint one out of five directors to the board of directors of that associate, and voting right under the provisions stated in the shareholders' agreement of that associate.

Principal versus agent considerations

When another party is involved in providing services to customers of the Group, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customers. The Group is a principal and records revenue on a gross basis if it controls the promised services before transferring them to the customer. However, if the Group's role is only to arrange for another entity to provide the services, then the Group is an agent and will need to record revenue at the net amount that it retains for its agency services. The Group controls the services when it has the ability to direct the use of, and obtain substantially all the remaining benefits from, the services. This includes the ability to prevent others from directing the use or obtaining the benefits of the services.

Judgments in determining the timing of satisfaction of performance obligations

The recognition of each of the Group's revenue stream requires judgment by the directors of the Company in determining the timing of satisfaction of performance obligations.

In making their judgment, the directors of the Company considered the detailed criteria for recognition of revenue set out in HKFRS 15 and in particular, whether the Group has satisfied all the performance obligations over time or at a point in time with reference to the details terms of transaction as stipulated in the contracts entered into with its customers.

For digital advertisement placement services, social media management services and certain contracts from creative and technology services, the directors of the Company have determined that the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. Therefore, the directors of the Company have satisfied that the performance obligation is satisfied over time and recognised the revenue over the service period.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Key sources 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 resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimated impairment loss on plant and equipment, right-of-use assets and investment property

Plant and equipment, right-of-use assets and investment property are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. 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 assets belongs.

Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

As at 31 March 2025, the carrying values of plant and equipment, right-of-use assets and investment property were approximately HK$997,000, HK$1,296,000 and HK$1,113,000 (2024: HK$1,268,000, HK$2,852,000 and HK$1,148,000) respectively. Based on an assessment of the recoverable amount, no impairment loss was recognised during the years ended 31 March 2025 and 2024.

Estimated impairment of trade receivables

Loss allowances for trade receivables are based on management's estimate of the lifetime expected credit losses to be incurred, which is estimated by taking into account the credit loss experience, ageing of overdue trade receivables, customers' repayment history and customers' financial position and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgement. Changes in these assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional impairment charge to the consolidated statement of profit or loss and other comprehensive income. As at 31 March 2025, the aggregate carrying amount of trade receivables was approximately HK$44,031,000 (2024: HK$34,535,000), net of accumulated impairment loss of approximately HK$8,844,000 (2024: HK$7,789,000).

5. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of debt, net of cash and cash equivalents and equity attributable to owners of the Company, comprising share capital and reserves.

The directors of the Company review the capital structure periodically. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on the 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 is not subject to either internally or externally imposed capital requirements.

6. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2025	2024
	HK$'000	HK$'000
Financial assets		
Financial assets at amortised cost	**76,330**	57,443
Financial assets at FVTPL	**2,207**	2,283
Financial liabilities		
Financial liabilities at amortised cost	**30,906**	26,346

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, deposits and other receivables, amount due from an associate, financial assets at FVTPL, bank balances and cash, trade and other payables, accrued expenses, amount due to a related company and amount due to a shareholder. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price 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.

6. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

Market risk

(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 31% (2024: 36%) of the Group's sales and 39% (2024: 27%) 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 2025 and 2024.

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**	
	2025	2024	**2025**	2024
	HK$'000	HK$'000	**HK$'000**	HK$'000
USD	**8,697**	10,665	**7,865**	2,816
RMB	**11,244**	11,421	**3,051**	1,680

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

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% (2024: 5%) decrease and increase in HK$ against RMB. 5% (2024: 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 the reporting period for a 5% (2024: 5%) change in foreign currency rate.

6. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

Market risk *(Continued)*

(i) Currency risk (Continued)

Sensitivity analysis *(Continued)*

A positive number below indicates an increase in post-tax profit where HK$ would be weakening by 5% (2024: 5%) against the relevant currency. For a 5% (2024: 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	
	2025	2024
	HK$'000	HK$'000
Profit or loss	**342**	407

(ii) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances carried at prevailing market rates. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary action when significant interest rate exposure is anticipated.

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) Other price risk

At 31 March 2025, the Group was exposed to equity price risk through its investments in listed equity securities measured at FVTPL. The management managed this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk was mainly concentrated on equity instruments operating in various industry sectors quoted in the Stock Exchange of Hong Kong Limited.

6. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

Market risk *(Continued)*

(iii) Other price risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the end of the reporting period.

If the prices of the respective equity instruments had been 5% higher/lower:

Post-tax profit for the year ended 31 March 2025 would increase/decrease by HK$92,000 (2024: HK$95,000) as a result of the changes in fair value of financial assets at FVTPL.

Credit risk

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. As at 31 March 2025, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, 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 consolidated statement of financial position.

The credit risk of the Group mainly arises from trade receivables, deposits and other receivables, bank balances and cash and amount due from an associate. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets.

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.

For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on an individual basis for customers estimated based on historical credit loss experience, as well as the general economic conditions of the industry in which the debtors operate. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

6. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

Credit risk *(Continued)*

For deposits and other receivables, and amount due from an associate, the Group has assessed whether there has been a significant increase in credit risk since initial recognition. The Group considers that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12-month ECL.

Where ECL is measured cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables are each assessed as a separate group);
- Deposits and amount due from an associate are assessed for expected credit losses on an individual basis;
- Past-due status; and
- Nature, size and industry of debtors.

The grouping is regularly reviewed by management to ensure the constituents of each group continues to share similar credit risk characteristics.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong, which accounted for 98% (2024: 95%) of the total trade receivables as at 31 March 2025.

The Group has concentration of credit risk as 24% (2024: 8%) and 39% (2024: 25%) of the trade receivables after allowance for impairment was due from the Group's largest trade debtor and the five largest trade debtors respectively.

6. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

Credit risk *(Continued)*

The Group's exposure to credit risk

In order to minimise credit risk, the Group has maintained the Group's credit risk grading to categorise exposures according to their degree of risk of default. The credit rating information is drawn from the Group's own trading records to rate its customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	For financial assets where there has low risk of default or has not been a significant increase in credit risk since initial recognition and that are not credit impaired	Lifetime ECL – not credit impaired (trade receivable) 12-month ECL (other financial assets)
Doubtful	For financial assets where there has been a significant increase in credit risk since initial recognition but that are not credit impaired	Lifetime ECL – not credit impaired
Default	Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred	Lifetime ECL – credit impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

6. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

Credit risk *(Continued)*

The table below details the credit quality of the Group's financial assets as well as the Group's maximum exposure to credit risk.

For the year ended 31 March 2025

	Internal Credit rating	12-month or lifetime ECL	Gross carrying amount HK$'000	Loss allowance HK$'000	Net carrying amount HK$'000
Trade receivables	Note 1	Lifetime ECL – not credit impaired (simplified approach)	**44,031**	**–**	**44,031**
		Lifetime ECL – credit impaired (simplified approach)	**8,844**	**(8,844)**	**–**
Deposits and other receivables	Performing	12-month ECL	**2,708**	**–**	**2,708**
Bank balances and cash	Performing	12-month ECL	**29,391**	**–**	**29,391**
Amount due from an associate	Default (Note 2)	Lifetime ECL – credit impaired	**559**	**(359)**	**200**

6. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

Credit risk *(Continued)*

For the year ended 31 March 2024

	Internal Credit rating	12-month or lifetime ECL	Gross carrying amount HK$'000	Loss allowance HK$'000	Net carrying amount HK$'000
Trade receivables	Note 1	Lifetime ECL – not credit impaired (simplified approach)	34,535	–	34,535
		Lifetime ECL – credit impaired (simplified approach)	7,789	(7,789)	–
Deposits and other receivables	Performing	12-month ECL	1,750	–	1,750
Bank balances and cash	Performing	12-month ECL	20,958	–	20,958
Amount due from an associate	Default (Note 2)	Lifetime ECL – credit impaired	530	(330)	200

Notes:

1. The Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on this item by assessing individual debtor by past due status and forward looking information.

2. Amount due from an associate is continuously monitored by assessing the credit quality of the counterparty, taking into account its financial position, past experience and other factors.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

6. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

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

	Repayable on demand or within 1 year	More than 1 year but less than 2 years	More than 5 years	Total undiscounted cash flows	Carrying amount
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 31 March 2025					
Non-derivative financial liabilities					
Trade and other payables	**24,438**	**–**	**–**	**24,438**	**24,438**
Accrued expenses	**3,759**	**–**	**–**	**3,759**	**3,759**
Amount due to a related company	**619**	**–**	**–**	**619**	**619**
Amount due to a shareholder	**–**	**–**	**8,300**	**8,300**	**2,090**
	28,816	**–**	**8,300**	**37,116**	**30,906**
Lease liabilities	**1,422**	**19**	**–**	**1,441**	**1,414**
At 31 March 2024					
Non-derivative financial liabilities					
Trade and other payables	21,197	–	–	21,197	21,197
Accrued expenses	4,436	–	–	4,436	4,436
Amount due to a shareholder	–	–	5,050	5,050	713
	25,633	–	5,050	30,683	26,346
Lease liabilities	1,762	1,411	–	3,173	3,063

6. FINANCIAL INSTRUMENTS *(Continued)*

(c) Fair value measurements recognised in the consolidated statement of financial position

The valuation techniques and inputs used in fair value measurements of each financial instrument on a recurring basis are set out below:

Financial Instruments	Fair value hierarchy	Fair value as at 31/3/2025 HK$'000	Fair value as at 31/3/2024 HK$'000	Valuation technique and key inputs	Significant unobservable inputs	Relationship of key inputs and significant unobservable inputs to fair value
Financial assets at FVTPL						
– Listed equity securities	Level 1	**2,207**	2,283	Quoted bid prices in an active market	N/A	N/A

7. REVENUE

Revenue represents revenue arising on provision of digital advertisement placement services, social media management services and creative and technology services. The following is an analysis of the Group's revenue for the year:

	2025 HK$'000	2024 HK$'000
Revenue from contract with customers within the scope of HKFRS 15		
Digital advertisement placement services	**11,447**	9,077
Social media management services	**28,209**	28,325
Creative and technology services	**121,689**	78,727
	161,345	116,129

7. REVENUE *(Continued)*

Disaggregation of revenue from contracts with customers by timing of recognition

	2025	2024
	HK$'000	HK$'000
Time of revenue recognition		
At a point in time	**3,584**	3,234
Over time	**157,761**	112,895
Total revenue from contracts with customers	**161,345**	116,129

An analysis of the Group's revenue by segments is set out in note 8 below.

Transaction price allocated to the remaining performance obligations for contracts with customers

The service contracts are with an original expected duration of one year or less or contracts for which revenue is recognised at the amount to which that Group has the right to invoice for the services performed. Accordingly, the Group has elected the practical expedient and has not disclosed the amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period.

8. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of services provided. The directors of the Company have chosen to organise the Group around differences in services. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group. Specifically, the Group's reportable segments are as follows:

1. Digital Advertisement Placement Services – Provision of advertisement placement services through digital media;

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

3. Creative and Technology Services – Provision of integrated marketing solutions services and other creative services involving design and copywriting of digital advertisements, production of corporate profile pages, website and apps, and related consultation.

Segment assets and liabilities are not reported to the Group's CODM regularly.

8. SEGMENT INFORMATION *(Continued)*

Segment revenue and results

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

For the year ended 31 March 2025

	Digital Advertisement Placement Services HK$'000	Social Media Management Services HK$'000	Creative and Technology Services HK$'000	Total HK$'000
REVENUE				
External sales and segment revenue	**11,447**	**28,209**	**121,689**	**161,345**
Segment results	**3,564**	**7,674**	**12,321**	**23,559**
Unallocated other income or gains				**565**
Unallocated selling expenses				**(5,484)**
Unallocated administrative expenses				**(20,795)**
Unallocated finance costs				**(248)**
Change in fair value of financial assets at FVTPL				**1,407**
Impairment loss on amount due from an associate				**(29)**
Loss before tax				**(1,025)**

8. SEGMENT INFORMATION *(Continued)*

Segment revenue and results *(Continued)*

For the year ended 31 March 2024

	Digital Advertisement Placement Services HK$'000	Social Media Management Services HK$'000	Creative and Technology Services HK$'000	Total HK$'000
REVENUE				
External sales and segment revenue	9,077	28,325	78,727	116,129
Segment results	2,375	10,632	13,026	26,033
Unallocated other income or gains				315
Unallocated selling expenses				(4,900)
Unallocated administrative expenses				(18,017)
Unallocated finance costs				(185)
Change in fair value of financial assets at FVTPL				(63)
Impairment loss on amount due from an associate				(16)
Profit before tax				3,167

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment results represent the profit earned or loss incurred by each segment without allocation of central administration expenses, selling expenses, finance costs, other income or gains, change in fair value of financial assets at FVTPL and impairment loss on amount due from an associate. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

8. SEGMENT INFORMATION *(Continued)*

Other segment information

For the year ended 31 March 2025

	Digital Advertisement Placement Services HK$'000	Social Media Management Services HK$'000	Creative and Technology Services HK$'000	Unallocated HK$'000	Total HK$'000
Amounts included in the measure of segment results:					
Depreciation of plant and equipment	35	86	369	–	490
(Reversal of) provision of impairment loss on trade receivables, net	–	(59)	1,131	–	1,072
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:					
Depreciation of investment property	–	–	–	35	35
Depreciation of right-of-use assets	–	–	–	1,628	1,628
Impairment loss on amount due from an associate	–	–	–	29	29
Bank interest income	–	–	–	(228)	(228)
Dividends from financial assets at FVTPL	–	–	–	(20)	(20)
Gain on sales of trading merchandises	–	–	–	(250)	(250)
Finance costs	–	–	–	248	248

8. SEGMENT INFORMATION *(Continued)*

Other segment information *(Continued)*

For the year ended 31 March 2024

	Digital Advertisement Placement Services HK$'000	Social Media Management Services HK$'000	Creative and Technology Services HK$'000	Unallocated HK$'000	Total HK$'000
Amounts included in the measure of segment results:					
Depreciation of plant and equipment	48	149	413	–	610
Reversal of impairment loss on trade receivables, net	–	(267)	(360)	–	(627)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:					
Depreciation of investment property	–	–	–	34	34
Depreciation of right-of-use assets	–	–	–	1,698	1,698
Impairment loss on amount due from an associate	–	–	–	16	16
Bank interest income	–	–	–	(182)	(182)
Dividends from financial assets at FVTPL	–	–	–	(18)	(18)
Finance costs	–	–	–	185	185

8. SEGMENT INFORMATION *(Continued)*

Geographic information

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

The Group's revenue from external customers based on location of customers and information about the Group's non-current assets other than financial instruments by geographical location are detailed as below:

	Revenue from external customers		Non-current assets (excluding financial instruments)	
	2025	2024	**2025**	2024
	HK$'000	HK$'000	**HK$'000**	HK$'000
The PRC	**10,338**	19,851	**124**	478
Taiwan	**2,043**	2,974	**30**	31
Hong Kong (place of domicile)	**148,964**	93,304	**3,252**	4,759
	161,345	116,129	**3,406**	5,268

Information about major customers

Revenue from customer of the corresponding year contributing over 10% of the total revenue of the Group is as follows:

	2025	2024
	HK$'000	HK$'000
Customer A[1]	**39,296**	N/A[2]

[1] Revenue from creative and technology segment
[2] The corresponding revenue did not contribute over 10% of the total revenue of the Group

The largest customer constituted less than 10% of the Group's total revenue for the year ended 31 March 2024.

9. OTHER INCOME OR GAINS, NET

	2025 HK$'000	2024 HK$'000
Dividends from financial assets at FVTPL	**20**	18
Bank interest income	**228**	182
Gain on early termination of lease	**–**	19
Gain on sales of trading merchandises	**250**	–
Sundry income	**67**	96
	565	315

10. FINANCE COSTS

	2025 HK$'000	2024 HK$'000
Interests on:		
Imputed interest expense on non-current interest-free loan from a shareholder	**165**	56
Interest on lease liabilities	**83**	129
	248	185

11. INCOME TAX EXPENSE

	2025 HK$'000	2024 HK$'000
Current tax:		
PRC Enterprise Income Tax	**68**	–

No provision for Hong Kong Profits Tax has been made for the years ended 31 March 2025 and 2024 as assessable profits were absorbed by tax losses.

11. INCOME TAX EXPENSE *(Continued)*

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Corporate Income Tax in Taiwan is charged at 20% for the both years.

Pursuant to the laws and regulations of the Cayman Islands and the British Virgin Islands (the "**BVI**"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

The income tax expense for the years can be reconciled to the (loss) profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2025 **HK$'000**	2024 HK$'000
(Loss) profit before tax	**(1,025)**	3,167
Tax at the applicable statutory income tax rate of 16.5% (Note)	**(169)**	523
Tax effect of expenses not deductible for tax purpose	**1,857**	185
Utilisation of tax losses previously not recognised	**(3,037)**	(993)
Tax effect of income not taxable for tax purpose	**(133)**	(28)
Tax effect of tax losses not recognised	**1,570**	398
Tax effect of other temporary differences not recognised	**354**	(66)
Effect of different tax rates of subsidiaries operating in other jurisdictions	**(374)**	(19)
Income tax expense for the year	**68**	–

Note: The domestic tax rate of 16.5% in the jurisdiction where the operation of the Group is substantially based is used.

Details of deferred tax are set out in note 29.

12. (LOSS) PROFIT FOR THE YEAR

(Loss) profit for the year has been arrived at after charging:

	2025	2024
	HK$'000	HK$'000
Directors' and chief executive's emoluments (note 13)	**5,002**	2,887
Employee benefit expenses (excluding directors' and chief executive's emoluments)		
– Wages and salaries	**28,216**	26,708
– Retirement benefits scheme contribution	**1,852**	1,742
– Other benefits	**506**	607
	35,576	31,944
Direct operating expenses incurred for investment property that did not generate rental income during the year	**11**	10
Auditor's remuneration	**505**	505
Depreciation of right-of-use assets	**1,628**	1,698
Depreciation of plant and equipment	**490**	610
Depreciation of investment property	**35**	34
Impairment loss on amount due from an associate	**29**	16
Amount of inventories recognised as an expense	**1,244**	–
Net foreign exchange loss	**433**	1,425

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to each of the eight (2024: ten) directors and chief executive were as follows:

For the year ended 31 March 2025

	Fees HK$'000	Salaries and other benefits HK$'000	Discretionary bonus (Note 1) HK$'000	Retirement benefits scheme contributions HK$'000	Total HK$'000
Emoluments paid or receivable in respect of a director's other services in connection with the management of the affairs of the Company and its subsidiary undertakings					
Executive directors:					
Yip Shek Lun	–	1,603	1,000	18	2,621
Wan Wai Ting	–	943	1,000	18	1,961
Ng Chi Fung	–	–	–	–	–
Liu Liping *(Appointed on 20 October 2023)* (Note 2)	–	–	–	–	–
Yin Di (Note 3)	–	–	–	–	–
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company and its subsidiary undertakings					
Independent non-executive directors:					
Hong Ming Sang	180	–	–	–	180
Fu Hongzhi *(Appointed on 8 August 2023)*	120	–	–	–	120
Bian Wencheng *(Appointed on 23 May 2023)*	120	–	–	–	120
Total	420	2,546	2,000	36	5,002

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS *(Continued)*

For the year ended 31 March 2024

	Fees HK$'000	Salaries and other benefits HK$'000	Discretionary bonus (Note 1) HK$'000	Retirement benefits scheme contributions HK$'000	Total HK$'000
Emoluments paid or receivable in respect of a director's other services in connection with the management of the affairs of the Company and its subsidiary undertakings					
Executive directors:					
Yip Shek Lun	–	820	400	18	1,238
Wan Wai Ting	–	780	400	18	1,198
Ng Chi Fung	–	–	–	–	–
Liu Liping *(Appointed on 20 October 2023)* (Note 2)	–	–	–	–	–
Yin Di (Note 3)	–	–	–	–	–
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company and its subsidiary undertakings					
Independent non-executive directors:					
David Tsoi *(Resigned on 8 August 2023)*	64	–	–	–	64
Hong Ming Sang	180	–	–	–	180
Fu Hongzhi *(Appointed on 8 August 2023)*	78	–	–	–	78
Tso Ping Cheong, Brian *(Resigned on 23 May 2023)*	26	–	–	–	26
Bian Wencheng *(Appointed on 23 May 2023)*	103	–	–	–	103
Total	451	1,600	800	36	2,887

Notes:

1. The discretionary bonus is determined by the board of directors of the Company having regard to his/her performance and the Group's performance and profitability and the prevailing market conditions.

2. The Company appointed Mr. Liu Liping as the executive director during the year ended 31 March 2024.

3. The Company appointed Mr. Yin Di as the Chief Executive on 20 October 2023. His emoluments disclosed above included those services rendered by him as the Chief Executive.

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS *(Continued)*

None of other directors and chief executive waived or agreed to waive any emoluments paid by the Group during the years ended 31 March 2025 and 2024.

No emoluments were paid or payable by the Group to any directors and chief executive as an inducement to join or upon joining the Group, or as compensation for loss of the office during the years ended 31 March 2025 and 2024.

14. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2024: two) were directors and chief executive of the Company whose emoluments are included in the disclosures in note 13 above. The emoluments of the remaining three (2024: three) individuals were as follows:

	2025 **HK$'000**	2024 HK$'000
Salaries and other benefits	**1,622**	2,056
Retirement benefits scheme contributions	**54**	54
	1,676	2,110

Their emoluments were within the following bands:

	Number of employees	
	2025	2024
HK$0 to HK$1,000,000	**3**	3

No emoluments were paid or payable by the Group to any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office during the years ended 31 March 2025 and 2024.

15. DIVIDEND

No dividend was paid or proposed during the years ended 31 March 2025 and 2024, nor has any dividend been proposed since the end of the reporting period.

16. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to owners of the Company is based on the following data:

(Loss) earnings	**2025** **HK$'000**	2024 HK$'000
(Loss) earnings for the purpose of basic and diluted loss per share, representing (loss) profit for the year attributable to owners of the Company	**(1,093)**	3,167

Number of shares	**2025**	2024 (Restated)
Weighted average number of ordinary shares for the purpose of basic and diluted loss or earnings per share	**18,950,393**	12,227,499

On 26 April 2024 and 9 July 2024, the Company implemented share consolidation and capital reduction and sub-division (note 31) and the weighted average number of ordinary shares in issue in the basic earnings per share calculation during the year ended 31 March 2024 was adjusted retrospectively.

The diluted (loss) earnings per share is the same as the basic (loss) earnings per share as there were no dilutive potential ordinary shares outstanding for the years ended 31 March 2025 and 2024.

17. PLANT AND EQUIPMENT

	Furniture, fixtures and equipment HK$'000	Leasehold improvements HK$'000	Motor vehicles HK$'000	Total HK$'000
COST				
At 1 April 2023	14,125	4,988	2,182	21,295
Exchange realignment	(20)	(24)	–	(44)
Additions	175	692	–	867
Disposals/Written-off	–	(4,564)	(430)	(4,994)
At 31 March 2024	14,280	1,092	1,752	17,124
Exchange realignment	(5)	(7)	–	(12)
Additions	221	–	–	221
At 31 March 2025	**14,496**	**1,085**	**1,752**	**17,333**
ACCUMULATED DEPRECIATION				
At 1 April 2023	13,142	4,954	2,182	20,278
Exchange realignment	(16)	(22)	–	(38)
Provided for the year	460	150	–	610
Eliminated on write-off	–	(4,564)	(430)	(4,994)
At 31 March 2024	13,586	518	1,752	15,856
Exchange realignment	(4)	(6)	–	(10)
Provided for the year	349	141	–	490
At 31 March 2025	**13,931**	**653**	**1,752**	**16,336**
CARRYING VALUES				
At 31 March 2025	**565**	**432**	**–**	**997**
At 31 March 2024	694	574	–	1,268

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 improvements	Over the shorter of term of the lease or 5 years
Motor vehicles	20%

18. INVESTMENT PROPERTY

	HK$'000
COST	
At 1 April 2023, 31 March 2024 and at 31 March 2025	1,391
ACCUMULATED DEPRECIATION	
At 1 April 2023	209
Provided for the year	34
At 31 March 2024	243
Provided for the year	35
At 31 March 2025	**278**
CARRYING VALUES	
At 31 March 2025	**1,113**
At 31 March 2024	1,148

The above investment property is depreciated on a straight-line basis over 40 years.

The fair value of the Group's investment property as at 31 March 2025 was approximately HK$1,369,000 (2024: HK$2,200,000), which was determined by the directors of the Company. The valuation performed by the directors of the Company was made by reference to recent market price for property in the similar location and condition. There has been no change from the valuation technique used in the prior year. In estimating the fair value of the property, the highest and best use of the property is its current use.

The following table gives information about how the fair value of the investment property as at 31 March 2025 and 2024 is determined.

	Fair value hierarchy	**Fair value at 31 March 2025 HK$'000**	Fair value at 31 March 2024 HK$'000	**Valuation technique and key inputs**	**Significant Unobservable inputs**	**Range**	**Relationship of key inputs and significant unobservable inputs to fair value**
Investment property	Level 2	**1,369**	2,200	Market comparison approach – By reference to recent sales price of comparable properties on a price per square foot basis using market data which is publicly available.	N/A	N/A	N/A

19. LEASE

(i) Right-of-use assets

	2025	2024
	HK$'000	HK$'000
Offices	**1,296**	2,852

The Group has lease arrangements for offices. The lease terms are generally ranged from one to three years. All leases are at fixed rentals.

Additions to the right-of-use assets for the year ended 31 March 2025 amounted to approximately HK$75,000 due to renewal of lease of office premises (2024: HK$4,459,000 due to renewal and new of leases of office premises).

(ii) Lease liabilities

	2025	2024
	HK$'000	HK$'000
Non-current	**19**	1,384
Current	**1,395**	1,679
	1,414	3,063

Amounts payable under lease liabilities	**2025**	2024
	HK$'000	HK$'000
Within one year	**1,395**	1,679
After one year but within two years	**19**	1,384
	1,414	3,063

During the year ended 31 March 2025, the Group renewed a lease agreement in respect of renting office premises and recognised lease liability of approximately HK$75,000.

During the year ended 31 March 2024, the Group renewed a lease agreement and entered into a new lease agreement in respect of renting office premises and recognised lease liability of approximately HK$4,459,000.

19. LEASE *(Continued)*

(iii) Amounts recognised in profit or loss

	2025	2024
	HK$'000	HK$'000
Depreciation expenses on right-of-use assets	**1,628**	1,698
Interest expenses on lease liabilities	**83**	129
Gain on early termination of lease	**–**	19

(iv) Others

During the year ended 31 March 2025, the total cash outflow for leases amounted to approximately HK$1,889,000 (2024: HK$1,626,000).

During the year ended 31 March 2024, the Group early terminated a lease contract, the respective right-of-use asset and lease liability of approximately HK$344,000 and approximately HK$363,000 are derecognised accordingly, resulting in a gain on early termination of approximately HK$19,000 recognised in profit or loss.

Restrictions or covenants on leases

As at 31 March 2025, lease liabilities of HK$1,414,000 (2024: HK$3,063,000) are recognised with related right-of-use assets of HK$1,296,000 (2024: HK$2,852,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

20. INTERESTS IN ASSOCIATES

	2025 HK$'000	2024 HK$'000
Costs of investments in associates		
Unlisted equity interest in Hong Kong	**1,054**	1,054
Share of post-acquisition losses and other comprehensive expenses and impairment loss recognised	**(1,054)**	(1,054)
	–	–

As at 31 March 2025 and 2024, the Group had interests in the following associates:

Name of entity	Form of entity	Place of incorporation/ operation/ registration	Class of shares held	Proportion of nominal value of issued capital held by the Group 2025	2024	Proportion of voting power held by the Group 2025	2024	Principal activities
Travellife Limited	Incorporated	Hong Kong	Ordinary	**20%**	20%	**20%**	20%	Provision of internet advertising services
Qooza Interactive Limited (Note a)	Incorporated	Hong Kong	Ordinary	**13%**	13%	**13%**	13%	Provision of internet advertising services
Jobdoh Limited ("**Jobdoh**")	Incorporated	Hong Kong	Ordinary	**20%**	20%	**20%**	20%	Provision of digital portal and services on part time and temporary jobs for job seekers and employers

Note:

(a) The Group is able to exercise significant influence over this associate because it has the power to appoint one out of the five directors of this associate under the provisions stated in the shareholders' agreement of this associate.

20. INTERESTS IN ASSOCIATES *(Continued)*

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

	2025	2024
	HK$'000	HK$'000
The Group's share of loss and total comprehensive expense for the year	**–**	–
Aggregate carrying amount of the Groups' interests in immaterial associates	**–**	–

The Group has stopped recognising its share of losses of certain associates when applying the equity method. The unrecognised share of those associates, both for the year and cumulatively, are set out below:

	2025	2024
	HK$'000	HK$'000
Unrecognised share of losses of associates for the year	**5**	16
Accumulated unrecognised share of losses of associates	**562**	557

During the year ended 31 March 2025, no impairment loss for interests in associates was recognised (2024: nil).

21. INVENTORIES

	2025	2024
	HK$'000	HK$'000
Trading merchandises – health supplement powder	**829**	–

22. TRADE RECEIVABLES

The Group allows an average credit period of 30 to 60 days (2024: 30 to 60 days) to its trade customers.

	2025	2024
	HK$'000	HK$'000
Trade receivables	**52,572**	41,689
Less: allowance for impairment of trade receivables	**(8,844)**	(7,789)
	43,728	33,900
Unbilled receivables	**303**	635
	44,031	34,535

The Group does not hold any collateral over these receivables.

The following is an ageing analysis of trade receivables, net of impairment, presented based on the date of rendering services, which approximates the respective revenue recognition dates, at the end of the reporting period.

	2025	2024
	HK$'000	HK$'000
– 0 to 60 days	**26,860**	20,544
– 61 to 90 days	**5,784**	797
– Over 90 days	**11,387**	13,194
	44,031	34,535

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL.

The Group recognised lifetime ECL for trade receivables based on individually significant customer.

22. TRADE RECEIVABLES *(Continued)*

As at 31 March 2025, the directors of the Company considered the ECL rate is insignificant for not credit-impaired debtors (including unbilled receivables) with gross carrying amount of approximately HK$44,031,000 (2024: HK$34,535,000) and thus do not recognise the ECL allowance as the amount involved is not significant.

As at 31 March 2025, the directors of the Company considered the ECL rate is 100% (2024: 100%) for trade receivables from credit-impaired customers with gross carrying amount of approximately HK$8,844,000 (2024: HK$7,789,000) and allowance for impairment of trade receivables of HK$8,844,000 (2024: HK$7,789,000) was recognised.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The movement in the allowance for impairment on trade receivables is set out below:

	2025 **HK$'000**	2024 HK$'000
At the beginning of the financial year	**7,789**	10,443
Provision of impairment loss	**1,236**	993
Impairment losses reversed	**(164)**	(1,620)
Amount written off as uncollectible	**–**	(1,860)
Exchange realignment	**(17)**	(167)
At the end of the financial year	**8,844**	7,789

23. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2025 HK$'000	2024 HK$'000
Deposits	**2,248**	1,084
Prepayments	**4,722**	3,038
Other receivables	**460**	666
	7,430	4,788
Analysed for reporting purposes:		
Non-current assets		
– Deposits	**460**	460
Current assets	**6,970**	4,328
	7,430	4,788

The directors of the Company recognise 12-month ECL for deposits and other receivables and the impairment is assessed individually. The directors of the Company considered that the deposits and other receivables to be low credit risk and thus no impairment loss is recognised during the years ended 31 March 2025 and 2024.

24. AMOUNT DUE FROM AN ASSOCIATE

	2025 **HK$'000**	2024 HK$'000
Amount due from an associate	**559**	530
Less: allowance for amount due from an associate	**(359)**	(330)
	200	200

The amount due from an associate was unsecured, non-interest bearing and repayable on demand.

The directors of the Company considered that the amount due from an associate were continuously monitored by assessing the credit quality of the counterparty, taking into account their financial position, past experiences and other factors.

As at 31 March 2025, an analysis of the gross amount of amount due from an associate is as follows:

	Lifetime ECL – credit impaired HK$'000	**Total HK$'000**
Default	**559**	**559**

As at 31 March 2024, an analysis of the gross amount of amount due from an associate is as follows:

	Lifetime ECL – credit impaired HK$'000	Total HK$'000
Default	530	530

24. AMOUNT DUE FROM AN ASSOCIATE *(Continued)*

Movement in allowance for amount due from an associate is as follows:

	Lifetime ECL – credit impaired HK$'000
At 1 April 2023	314
Impairment loss recognised	16
At 31 March 2024	330
Impairment loss recognised	29
At 31 March 2025	**359**

25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 **HK$'000**	2024 HK$'000
Listed securities held for trading, at fair value:		
Equity securities listed in Hong Kong (Notes (a, b))	**2,207**	2,283

Notes:

(a) The investments above include investments in quoted equity securities that offer the Group the opportunity for return through dividend income and fair value gains. The fair values of these securities are based on closing quoted market prices on the last market day of the financial year.

(b) During the year ended 31 March 2025, the net fair value gain in respect of the investments in quoted equity securities recognised in profit or loss amounted to approximately HK$1,407,000 (2024: net fair value loss of approximately HK$63,000).

26. BANK BALANCES AND CASH

The bank balances comprise cash and short term bank deposits with an original maturity of three months or less earning interests at floating rates based on daily deposit rates.

At 31 March 2025, the bank balances and cash of approximately HK$638,000 (2024: HK$2,390,000) denominated in RMB were placed in the banks. 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 interests at floating rates based on daily bank deposit rates.

27. TRADE AND OTHER PAYABLES

	2025	2024
	HK$'000	HK$'000
Trade payables	**22,101**	18,308
Other payables	**2,337**	2,889
	24,438	21,197

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

	2025	2024
	HK$'000	HK$'000
Within 30 days	**11,738**	4,979
31 to 60 days	**2,872**	1,606
Over 60 days	**7,491**	11,723
	22,101	18,308

The trade payables were due according to the terms stated in the relevant contracts. The average credit period on purchase of services is 30 to 60 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

As at 31 March 2025, included in the balances of the trade payables were aggregate balances of approximately HK$16,000 (2024: HK$16,000) which were payables to the associates of the Group, arising from acquisition of services in general trade credit term.

28. ACCRUED EXPENSES AND CONTRACT LIABILITIES

(a) Accrued expenses

	2025	2024
	HK$'000	HK$'000
Accrued directors' emoluments	**1,129**	1,030
Accrued staff costs	**1,384**	680
Other accruals	**1,246**	2,726
	3,759	4,436

(b) Contract liabilities

	2025	2024
	HK$'000	HK$'000
Advances received to deliver services	**13,232**	12,822

As at 31 March 2023, contract liabilities amounted to HK$8,010,000.

In general, the Group charges service fees derived from standard service plans in advance upon signing of the service contracts.

The change in contract liability was mainly due to more service contracts have been entered at the end of the year.

Revenue recognised during the year ended 31 March 2025 that was included in the contract liabilities at the beginning of the year is approximately HK$6,279,000 (2024: HK$3,358,000). There was no revenue recognised in the current year that is related to performance obligations that were satisfied in prior year.

29. DEFERRED TAXATION

At 31 March 2025 the Group has unused tax losses of approximately HK$99,021,000 (2024: HK$110,359,000) available to offset against future profits. No deferred tax asset has been recognised in respect of such losses of HK$102,041,000 at 31 March 2025 (2024: HK$110,359,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of approximately HK$21,747,000 (2024: HK$17,202,000) that will be expire after five years from the year of assessment to which they are related to. Other losses may be carried forward indefinitely.

At the end of the reporting period, the Group has deductible temporary differences of HK$352,000 (2024: HK$2,493,000). No deferred tax asset has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

30. AMOUNT DUE TO A SHAREHOLDER

During the year ended 31 March 2025, the Group entered into three unsecured and unguaranteed interest-free loans with principal amounts of HK$1,000,000, HK$1,000,000 and HK$1,250,000 respectively from its substantial shareholder, namely Mr. Yin Di which will mature and repayable after 15 years. Deemed capital contributions of approximately HK$644,000, HK$625,000 and HK$769,000 respectively were recognised in other reserve in the consolidated statement of changes in equity during the year ended 31 March 2025.

Imputed interest of amount due to a shareholder calculated at the effective interest rates of 7.12%, 6.76% and 6.57%, which were determined by an independent valuer, of approximately HK$24,000, HK$19,000 and HK$18,000 were charged to the consolidated statement of profit or loss (note 10) during the year ended 31 March 2025.

During the year ended 31 March 2024, the Group entered into an unsecured and unguaranteed interest-free loans with a principal amount of HK$2,550,000 from its substantial shareholder, namely Mr. Yin Di which will mature and repayable after 15 years. Deemed capital contribution of approximately HK$2,149,000 was recognised in other reserve in the consolidated statement of changes in equity during the year ended 31 March 2024.

Imputed interest of amount due to a shareholder calculated at the effective interest rate of 13.13%, which was determined by an independent valuer, of approximately HK$55,000 (2024: HK$14,000) was charged to the consolidated statement of profit or loss (note 10) during the year ended 31 March 2025.

30. AMOUNT DUE TO A SHAREHOLDER *(Continued)*

During the year ended 31 March 2023, the Group entered into an unsecured and unguaranteed interest-free loans with a principal amount of HK$2,500,000 from its substantial shareholder, namely Mr. Yin Di which will mature and repayable after 15 years.

Imputed interest of amount due to a shareholder calculated at the effective interest rate of 16.48%, which was determined by an independent valuer, of approximately HK$49,000 (2024: HK$42,000) was charged to the consolidated statement of profit or loss (note 10) during the year ended 31 March 2025.

31. SHARE CAPITAL

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

	2025 **HK$'000**	2024 HK$'000
Authorised:		
10,000,000,000 (2024: 1,000,000,000) ordinary shares of HK$0.01 (2024: HK$0.01) each	**100,000**	100,000
Issued and fully paid:		
25,008,000 (2024: 166,720,000) ordinary shares of HK$0.01 (2024: HK$0.01) each	**250**	16,672

A summary of movements in the Company's used share capital is as follows:

	Number of shares in issue	**Issued capital** HK$'000	**Share premium** HK$'000	**Total** HK$'000
At 1 April 2023, 31 March 2024 and 1 April 2024	166,720,000	16,672	78,559	95,231
Shares consolidation (note i)	(158,384,000)	(16,589)	–	(16,589)
Issue of shares by rights issue (note ii)	16,672,000	167	17,172	17,339
Share issue expenses of rights issue	–	–	(2,139)	(2,139)
At 31 March 2025	**25,008,000**	**250**	**93,592**	**93,842**

31. SHARE CAPITAL *(Continued)*

Notes:

(i) The Company implemented the share consolidation on the basis that every twenty issued and unissued ordinary shares with par value of HK$0.10 each in the share capital of the Company were consolidated into one consolidated share of par value of HK$2.00 each. After the share consolidation on 26 April 2024, the total number of issued ordinary shares of the Company was adjusted from 166,720,000 to 8,336,000.

Subsequent to the share consolidation, the Company implemented the capital reduction and sub-division, pursuant to which the par value of each issued consolidated share was reduced from HK$2.00 to HK$0.01 by cancelling the paid-up share capital to the extent of HK$1.99 per issued consolidated share. With the capital reduction and sub-division, the total number of issued ordinary shares of the Company remains to be 8,336,000, the issued and unissued shares of HK$2.00 each in the share capital of the Company were adjusted to HK$0.01 each, and the amount of share capital of the Company was adjusted to HK$83,360.

(ii) The Company completed a rights issue and issued 16,672,000 rights shares with par value of HK$0.01 each at a subscription price of HK$1.04 per rights share on the basis of two rights shares for every one share of the Company held by the qualifying shareholders on 20 September 2024.

The Company's issued share capital amounted to HK$250,080 and the number of issued ordinary shares was 25,008,000 with a par value of HK$0.01 as at 30 September 2024.

32. SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share option scheme of the Company

The Company's share option scheme (the "**Scheme**"), was adopted pursuant to a resolution passed on 20 May 2015 for the primary purpose of providing incentives to directors, eligible employees and other selected participants for their contributions to the Group. Under the Scheme, the board of directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK$5 million must be approved in advance by the Company's shareholders.

32. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share option scheme of the Company *(Continued)*

No consideration is payable on the grant of an option. Options may be exercised after the vesting period. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares. For details of the terms of the share options, please refer to the announcement dated on 14 July 2015 and 10 December 2015.

No shares options had been granted during the years ended 31 March 2025 and 2024, and there is no outstanding share option as at 31 March 2025 and 2024.

33. RETIREMENT BENEFITS PLAN

Hong Kong

The Group operates a MPF Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, each of the Group companies in Hong Kong contributes 5% of relevant payroll costs, capped at HK$1,500 per month, to the MPF Scheme, in which the contribution is matched by employees. No forfeited contribution is available for use by the Company to reduce the existing level of contributions for the years ended 31 March 2025 and 2024.

The PRC

As stipulated by rules and regulations in the PRC, subsidiaries in the PRC are required to contribute to a state-managed retirement plan for all its employees at a certain percentage of the basic salaries of its employees. The state-managed retirement plan is responsible for the entire pension obligations payable to all retired employees. Under the state-managed retirement plan, the Group has no further obligations for the actual pension payments or post-retirement benefits beyond the annual contributions.

Taiwan

The Group participates in defined contribution plans organised by the relevant local government authorities in Taiwan for its Taiwan employees, whereby the Group is required to make monthly contributions to these plans at certain percentage of the relevant portion of the payroll of these employees to the pension scheme to fund the benefits. The Group has no obligation for the payment of retirement and other post-retirement benefits for Taiwan employees other than the monthly contributions described above.

During the year ended 31 March 2025, the total amount contributed by the Group to these schemes and charged to the consolidated statement of profit or loss and other comprehensive income was approximately HK$1,888,000 (2024: HK$1,778,000).

34. LONG SERVICE PAYMENT LIABILITIES

Obligation to long service payments ("LSP") under Hong Kong Employment Ordinance

Pursuant to the Employment Ordinance, Chapter 57, the Group has the obligation to pay LSP to employees in Hong Kong under certain circumstances, subject to a minimum of 5 years employment period, based on this formula: Last monthly wages (before termination of employment) × 2/3 × Years of service. Last monthly wages are capped at HK$22,500 while the amount of long service payment shall not exceed HK$390,000. This obligation is accounted for as a post-employment defined benefit plan.

Furthermore, the Mandatory Provident Fund Schemes Ordinance passed in 1995 permits the Group to utilise the Group's Mandatory Provident Fund contributions, plus/minus any positive/negative returns thereof (collectively, the "**Eligible Offset Amount**"), for the purpose of offsetting LSP payable to an employee (the "**Offsetting Arrangement**").

The Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "**Amendment Ordinance**") was gazetted on 17 June 2022, which will eventually abolish the Offsetting Arrangement. The Amendment Ordinance will come into effect prospectively from 1 May 2025 (the "**Transition Date**"). Under the Amendment Ordinance, the Eligible Offset Amount after the Transition Date can only be applied to offset the pre-Transition Date LSP obligation but no longer eligible to offset the post-Transition Date LSP obligation. Furthermore, the LSP obligations before the Transition Date will be grandfathered and calculated based on the last monthly wages immediately preceding the Transition Date.

The Amendment Ordinance does not have significant impact on the Group's LSP liability with respect to employees that participate in MPF Scheme.

35. RELATED PARTY TRANSACTIONS

(a) Balances

Details of the Group's outstanding balances with the associates are set out in the consolidated statement of financial position and in note 24 and note 27.

The following outstanding balance with related company is unsecured, interest-free and repayable on demand at the end of the reporting period:

	2025	2024
	HK$'000	HK$'000
Amount due to:		
Zhongmin Tianci International Trade (Beijing) Co., Ltd.	**619**	–

Zhongmin Tianci International Trade (Beijing) Co., Ltd. is directly wholly owned by the Company's executive director and substantial shareholder, Mr. Yin Di.

(b) 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:

	2025	2024
	HK$'000	HK$'000
Short-term benefits	**5,565**	3,451
Post-employment benefits	**54**	54
	5,619	3,505

The remuneration of directors of the Company and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	NOTES	**2025**	2024
		HK$'000	HK$'000
Non-current asset			
Investments in subsidiaries	(i)	**32**	1
Current assets			
Prepayments		**1,655**	148
Amounts due from subsidiaries	(ii)	**17,562**	11,805
		19,217	11,953
Current liability			
Accruals		**593**	2,142
Net current assets		**18,624**	9,811
Total assets less current liabilities		**18,656**	9,812
Non-current liability			
Amount due to a shareholder	(ii)	**2,090**	713
		16,566	9,099
Capital and reserves			
Share capital		**250**	16,672
Reserves	(iii)	**16,316**	(7,573)
		16,566	9,099

36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(Continued)*

Notes:

(i) As at 31 March 2025, investments in subsidiaries are carried at cost of HK$33,000 (2024: HK$33,000) less accumulated impairment loss of HK$1,000 (2024: HK$32,000).

(ii) The amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

The amount due to a shareholder is unsecured and interest-free. Details of the amount due to a shareholder is set out in note 30.

(iii) Movement in reserves

	Share premium HK$'000	**Other reserve** (Note) HK$'000	**Accumulated losses** HK$'000	**Total** HK$'000
At 1 April 2023	78,559	46,854	(131,750)	(6,337)
Deemed capital contribution arising from non-current interest-free shareholder's loan (note 30)	–	2,149	–	2,149
Loss and total comprehensive expense for the year	–	–	(3,385)	(3,385)
At 31 March 2024	78,559	49,003	(135,135)	(7,573)
Deemed capital contribution arising from non-current interest-free shareholder's loan (note 30)	–	2,038	–	2,038
Loss and total comprehensive expense for the year	–	–	(9,771)	(9,771)
Shares consolidation	–	–	16,589	16,589
Issue of shares by way of rights issue	17,172	–	–	17,172
Share issue expenses of rights issue	(2,139)	–	–	(2,139)
At 31 March 2025	**93,592**	**51,041**	**(128,317)**	**16,316**

Note: Included in other reserve of approximately HK$44,608,000 represented the difference between the nominal amount of the share issued for acquisition of its subsidiaries and the net assets value of the subsidiaries of the Company upon the group reorganisation on 16 May 2015. The remaining balances are deemed capital contribution arising from non-current interest-free shareholder's loan.

37. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Details of the Company's subsidiaries as at 31 March 2025 and 2024 are as follows:

Name of subsidiary	Place of incorporation/ operation	Class of shares held	Issued and fully paid share capital/registered capital	Proportion ownership interest held by the Company 2025 Directly	2025 Indirectly	2024 Directly	2024 Indirectly	Principal activities
AdBeyond Holdings Limited	The BVI	Ordinary	HK$32,249	**100%**	**–**	100%	–	Investment holding
iMinds Interactive Holdings Limited	The BVI	Ordinary	US$1	**100%**	**–**	100%	–	Investment holding
COMO Group Holding Limited	The BVI	Ordinary	US$1	**100%**	**–**	100%	–	Investment holding
Guru Online (Group) Limited	The BVI	Ordinary	US$1	**100%**	**–**	100%	–	Investment holding
Guru Online Hong Kong Limited	Hong Kong	Ordinary	HK$500,000	**–**	**100%**	–	100%	Provision of marketing services
AdBeyond (Group) Limited	Hong Kong	Ordinary	HK$34,427,774	**–**	**100%**	–	100%	Provision of marketing services
iMinds Interactive Limited	Hong Kong	Ordinary	HK$1	**–**	**100%**	–	100%	Provision of marketing services
Glo Media Limited	Hong Kong	Ordinary	HK$500,000	**–**	**100%**	–	100%	Engagement in internet marketing platform for the travel industry
廣州超帆信息科技有限公司#	The PRC	Registered capital	HK$7,000,000	**–**	**100%**	–	100%	Provision of marketing services
南京高訊文化傳媒有限公司#	The PRC	Registered capital	RMB999,980/ HK$10,000,000	**–**	**100%**	–	100%	Provision of marketing services; provision of marketing services for the travel industry

37. PARTICULARS OF SUBSIDIARIES OF THE COMPANY *(Continued)*

Name of subsidiary	Place of incorporation/ operation	Class of shares held	Issued and fully paid share capital/registered capital	Proportion ownership interest held by the Company 2025 Directly	2025 Indirectly	2024 Directly	2024 Indirectly	Principal activities
香港商超凡有限公司台灣分公司	Taiwan	Registered capital	NTD1,000,000	**–**	**100%**	–	100%	Provision of marketing services
Tanzanite Online Holding Limited	BVI	Ordinary	US$1	**100%**	**–**	100%	–	Investment holding
Jovi Hannic Marketing Limited[1]	Hong Kong	Ordinary	HK$1	**–**	**100%**	–	100%	Provision of marketing services
Master Envision Limited[2]	BVI	Ordinary	US$100	**100%**	**–**	100%	–	Investment holding
Guoen Investment Holdings Limited[2]	Hong Kong	Ordinary	HK$100	**–**	**100%**	–	100%	Investment holding
國恩控股(山東)有限公司[#2]	The PRC	Registered capital	RMB$10,000,000	**–**	**100%**	–	100%	Trading of health supplement powder
AdBeyond (Group) Pte. Limited[3]	Singapore	Ordinary	SGD10,000	**–**	**100%**	N/A	N/A	Provision of marketing service
AdBeyond Group (Macau) Limited[3]	Macau	Ordinary	MOP100,000	**–**	**100%**	N/A	N/A	Provision of marketing service

Note: None of the subsidiaries had issued any debt securities at the end of both years or during the years.

[#] These subsidiaries were companies with limited liability incorporated in PRC.

[1] The subsidiary was renamed from Tanzanite Online Limited to Jovi Hannic Marketing Limited during the year ended 31 March 2024.

[2] The subsidiary was established/incorporated during the year ended 31 March 2024.

[3] The subsidiary was established/incorporated during the year ended 31 March 2025.

38. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

			Non-cash changes					
	1/4/2024 HK$'000	Financing cash flows HK$'000	Recognition of deemed contribution HK$'000	Finance costs incurred HK$'000	Renewed leases arrangement HK$'000	Early termination of lease HK$'000	Foreign exchange movements HK$'000	31/3/2025 HK$'000
Amount due to a shareholder	**713**	**3,250**	**(2,038)**	**165**	**–**	**–**	**–**	**2,090**
Amount due to a related company	**–**	**619**	**–**	**–**	**–**	**–**	**–**	**619**
Lease liabilities (Note 19)	**3,063**	**(1,889)**	**–**	**83**	**75**	**–**	**82**	**1,414**

			Non-cash changes					
	1/4/2023 HK$'000	Financing cash flows HK$'000	Recognition of deemed contribution HK$'000	Finance costs incurred HK$'000	Renewed leases arrangement HK$'000	Early termination of lease HK$'000	Foreign exchange movements HK$'000	31/3/2024 HK$'000
Amount due to a shareholder	256	2,550	(2,149)	56	–	–	–	713
Lease liabilities (Note 19)	493	(1,626)	–	129	4,459	(363)	(29)	3,063

FINANCIAL SUMMARY

RESULTS

	For the year ended 31 March				
	2025	2024	2023	2022	2021
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue	**161,345**	116,129	119,780	155,777	141,391
(Loss) profit before taxation	**(1,025)**	3,167	(5,818)	2	(15,912)
Income tax expense	**(68)**	–	(79)	(33)	(334)
(Loss) profit for the year attributable to owners of the Company	**(1,093)**	3,167	(5,897)	(31)	(16,246)

ASSETS AND LIABILITIES

	As at 31 March				
	2025	2024	2023	2022	2021
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Total assets	**87,494**	68,032	61,198	64,475	93,818
Total liabilities	**(45,726)**	(42,360)	(41,179)	(41,182)	(68,981)
Total equity	**41,768**	25,672	20,019	23,293	24,837