Most Kwai Chung Limited
毛記葵涌有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 1716

2025
ANNUAL REPORT 年報

CONTENT

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Iu Kar Ho *(Chairman)*
Luk Ka Chun
Leung Hoi Yui (appointed on 12 November 2024)

Independent Non-Executive Directors

Leung Wai Man
Ho Kwong Yu
Leung Ting Yuk

REGISTERED OFFICE

PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 8, 16/F, Block B
Tung Chun Industrial Building
11–13 Tai Yuen Street
Kwai Chung, New Territories
Hong Kong

COMPANY WEBSITE

www.mostkwaichung.com

COMPANY SECRETARY

Lo Tai On

AUTHORISED REPRESENTATIVES

Iu Kar Ho
Luk Ka Chun

STOCK CODE

1716

LEGAL ADVISORS

P. C. Woo & Co.
Room 1225, 12/F
Prince's Building
No. 10 Chater Road
Central, Hong Kong

AUDIT COMMITTEE

Ho Kwong Yu *(chairman)*
Leung Ting Yuk
Leung Wai Man

REMUNERATION COMMITTEE

Leung Ting Yuk *(chairman)*
Ho Kwong Yu
Leung Wai Man

NOMINATION COMMITTEE

Leung Ting Yuk *(chairman)*
Ho Kwong Yu
Leung Wai Man

PRINCIPAL SHARE REGISTRAR OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
2103B, 21/F, 148 Electric Road
North Point, Hong Kong

AUDITOR

Baker Tilly Hong Kong Limited
Level 8, K11 ATELIER King's Road
728 King's Road
Quarry Bay, Hong Kong

PRINCIPAL BANKER

Hang Seng Bank Limited

CHAIRMAN'S STATEMENT

On behalf of the board (the "Board") of directors (the "Directors") of Most Kwai Chung Limited (the "Company", and together with its subsidiaries, the "Group"), I am pleased to present the annual report of the Group for the year ended 31 March 2025 (the "Year").

The Group continues to provide integrated advertising and media services to customers which can be categorised into (i) digital media services; (ii) print media services; and (iii) other media, innovative trend business and other professional services ("OM and other services").

FINANCIAL PERFORMANCE

The Group's revenue for the Year was approximately HK$93.6 million, recording an increase of approximately 70% as compared with the revenue of approximately HK$55.2 million in the preceding financial year. The increase was mainly attributable to the increase in number of clients and higher marketing spending from the clients of digital media services segment and increase in revenue derived from provision of matching, dating and marriage consultancy services and sale of tickets of live action role-playing game and performance events organised by the Group from OM and other services segment.

The Group recorded profit before income tax of approximately HK$6.5 million for the Year, as compared with the loss before income tax of approximately HK$9.3 million in the previous financial year. The turn from loss before income tax to profit before income tax was mainly due to the combined effects of the increase in (i) the number of clients and marketing spending from clients in the digital media services segment; (ii) revenue, primarily due to performance events organized by the Group during the Year and (iii) the fair value gain from the step acquisition in relation to the acquisition of 31% of To Be Honest Limited (details of which were set out in the announcement of the Company dated 11 July 2024) during the Year.

During the Year, the performance of our digital media services, which contributed to approximately 75% of the total revenue, slightly decreased when compared with that of the preceding financial year due to the increase in revenue from OM and other services segment in the Year.

PROSPECTS

The advertising and media landscape in Hong Kong is thriving and rapidly evolving, with the rise of social media, the public heavily engages with a variety of platforms, including Facebook, Instagram, YouTube and Patreon. Marketers and businesses in Hong Kong continue to invest in social media for advertising, customer engagement and brand building.

Although there are increasing number of keen competitors, the Group plans to diversify the marketing channels to different online and physical platforms and diversity the programme type for the year ending 31 March 2026 to further promote brand awareness and strengthen the variety and content of the events.

USE OF PROCEEDS

We received net proceeds of approximately HK$53.50 million from the listing (the "Listing") of shares of the Company (the "Shares") on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). On 17 March 2021, the Board resolved to change the use and allocation of the unutilised Actual Net Proceeds ("Change in Allocation of Proceeds"). For further details of the Change in Allocation of Proceeds and the reasons and benefits of such change, please refer to the announcement of the Company dated 17 March 2021. Up to 31 March 2025, the proceeds have been fully utilised as at 31 March 2025, amounted approximately HK$53.50 million.

CHAIRMAN'S STATEMENT

NOTE OF APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to all of the business partners, customers, suppliers and the shareholders for their continuous support. I would also like to express my sincere appreciation to the Group's management and staff for their commitment and dedication.

Iu Kar Ho
Chairman and Executive Director
Hong Kong, 26 June 2025

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group provides integrated advertising and media services to customers which can be categorised into (i) digital media services under which the Group provides a one-stop advertising solution package to the customers, with different types of advertisements including video, online banner, newsfeed and advertorial, through various distribution channels including digital media platforms (which include (a) the respective fan pages of “100 Most” (100毛), “TVMost” (毛記電視) and the Group’s contracted artistes on third party social media platforms and (b) TVMost’s website and mobile application operated by the Group) (the “Digital Media Platforms”), third parties’ TV channels, the Internet, and physical advertising spaces; (ii) print media services which include the sale of book publications; and (iii) other media, innovative trend business and other professional services (“OM and other services”) income represent income generated from (a) displaying customers’ advertisements and promoting their brands in events organised by the Group; (b) sale of tickets of these events and merchandise; (c) artistes management business, under which the Group’s contracted artistes appear in advertisements and events organised by the Group, as well as third party customers; and (d) matching, dating and marriage consultancy income. Under the current circumstances, the Group expects the prospects of the advertising and media industry to be steadily recovering for the coming year. The Group aims to further promote its brand awareness and strengthen the variety and content of the events organised by the Group in the future.

Digital Media Services

Digital media services represent the provision of media management services and one-stop advertising solution packages under which the deliverables to the customers are distributed on the Digital Media Platforms managed by the Group and other platforms, such as third parties’ TV channels, the Internet and physical advertising spaces, subject to the needs of the customers.

Revenue from the digital media services increased from approximately HK$48.4 million for the year ended 31 March 2024 to approximately HK$70.4 million for the Year, representing an increase of 45%. Segment loss before income tax was approximately HK$9.0 million for the year ended 31 March 2024 and segment profit before income tax was approximately HK$3.9 million for the Year. During the Year, the increase in revenue from the digital media services and the turnaround from segment loss before income tax into segment profit before income tax were mainly due to an increased number of clients and higher marketing spending from the clients of the digital media services segment. The Group will continue its efforts in capturing more business opportunities in the digital media services segment brought by the digitalisation in the market.

Print Media Services

Print media services segment comprises sales of books published by the Group.

Revenue from the print media services was approximately HK$0.5 million and HK$0.3 million for the years ended 31 March 2024 and 2025, respectively. Segment loss before income tax was approximately HK$1.3 million and HK$1.2 million for the years ended 31 March 2024 and 2025, respectively.

OM and Other Services

OM and other services income represent income generated from (a) displaying customers’ advertisements and promoting their brands in events organised by the Group; (b) sale of tickets for these events and merchandise; (c) artistes management business, under which the Group’s contracted artistes appear in advertisements and events organised by the Group, as well as for third party customers; and (d) matching, dating and marriage consultancy income.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue from the OM and other services was approximately HK$6.3 million and HK$22.9 million for the years ended 31 March 2024 and 2025, respectively. During the Year, the increase in revenue from the OM and other services was mainly due to the increase in revenue derived from provision of matching, dating and marriage consultancy services and sale of tickets of live action role-playing game and performance events organised by the Group during the Year. Segment profit before income tax was approximately HK$0.5 million and HK$1.5 million for the year ended 31 March 2024 and 2025, respectively, representing an increase of 200%. The increase in segment profit before income tax was mainly attributable to performance events organised by the Group.

Outlook and Future Prospects

With the rising Internet penetration rate and the expansion of the mobile commerce market, the advertising industry has become a key driver of global economic growth. In particular, ongoing innovations in social media and video content marketing continue to propel the growth of the industry. We anticipate a steady increase in demand for digital marketing services. Leveraging on our strengths, the Group will continue to provide assistance to clients in fulfilling their market needs, especially in the digital media services segment.

Looking ahead, given the challenging market conditions, the Group is committed to aligning its service delivery with fast-evolving technologies to ensure our competitiveness. We will continue to develop our core business while actively exploring suitable new business opportunities, keeping pace with ever-changing technologies and consumer behaviours in order to maintain our competitive edge in the dynamic commercial environment.

FINANCIAL REVIEW

Revenue

Revenue of the Group increased by approximately HK$38.4 million or 70% from approximately HK$55.2 million for the year ended 31 March 2024 to approximately HK$93.6 million for the Year. The increase was mainly attributable to the increase in number of clients and higher marketing spending from the clients of digital media services segment and increase in revenue derived from provision of matching, dating and marriage consultancy services and sale of tickets of live action role-playing game and performance events organised by the Group from OM and other services segment.

Cost of Sales

The Group's cost of sales comprises direct cost incurred for the digital media services (mainly include staff costs and costs of production), print media services (mainly include staff costs, cost of inventories, royalties and other production costs) and OM and other services (mainly include staff costs, costs of production and other costs incurred during the organisation of events). The cost of sales increased to approximately HK$50.3 million for the Year from approximately HK$35.2 million for the year ended 31 March 2024, representing an increase of approximately HK$15.1 million or 43% during the Year which was resulted from the increment in revenue.

Gross Profit and Gross Profit Margin

The gross profit of the Group increased by approximately HK$23.3 million or 117% from approximately HK$20.0 million for the year ended 31 March 2024 to approximately HK$43.3 million for the Year. The large increase was mainly attributable to the increase in number of clients and higher marketing spending from the clients of digital media services segment and derived from provision of matching, dating and marriage consultancy services and sale of tickets of live action role-playing game and performance events organised by the Group in OM and other services segment.

The overall gross profit margin of the Group was approximately 36% and 46% for the years ended 31 March 2024 and 2025, respectively. The increase in gross profit margin was mainly attributable to the improvement of production cost controlling during the Year.

Selling and Distribution Expenses

Selling and distribution expenses mainly consist of staff costs, advertising and promotion expenses and others. Selling and distribution expenses of the Group were approximately HK$11.5 million and approximately HK$17.0 million for the years ended 31 March 2024 and 2025, respectively, representing an increase by approximately HK$5.5 million or 48% which was mainly attributable to the additional selling and distribution expenses increased in line with the increased revenue in the Year.

Administrative Expenses

Administrative expenses of the Group increased from approximately HK$19.8 million for the year ended 31 March 2024 to approximately HK$22.6 million for the Year, representing an increase by approximately HK$2.8 million or 14%. The increase was mainly due to an increase in employee benefit expenses, rental expenses, and depreciation from property, plant and equipment acquired for the expansion of the new business.

Profit/(Loss) before Income Tax

During the years ended 31 March 2024 and 2025, the loss before income tax was approximately HK$9.3 million and the profit before income tax was approximately HK$6.5 million, respectively. During the Year, the turn from loss before income tax to profit before income tax was mainly due to the combined effects of the increase in (i) the number of clients and marketing spending from clients in the digital media services segment; (ii) revenue, primarily due to performance events organized by the Group during the Year and (iii) the fair value gain from the step acquisition in relation to the acquisition of 31% of To Be Honest Limited (details of which were set out in the announcement of the Company dated 11 July 2024) during the Year.

Income Tax Expense

The income tax expense was approximately HK$0.1 million for the year ended 31 March 2025 (2024: nil).

LIQUIDITY AND FINANCIAL RESOURCES

During the Year, the Group's operation and capital requirements were financed principally through the operating activities. As at 31 March 2024 and 2025, the Group had net current assets of approximately HK$43.1 million and HK$47.2 million, respectively, including cash and cash equivalents of approximately HK$42.8 million and HK$43.9 million, respectively. The Group's current ratio (current assets divided by current liabilities) decreased from approximately 4.2 as at 31 March 2024 to approximately 3.7 as at 31 March 2025. Such decrease was mainly due to the increase in trade and other payables and accruals and contract liabilities for the Year. The Group's gearing ratio was calculated based on the total debt divided by the total equity as at the respective dates and multiplied by 100%. As at 31 March 2025, the Group's gearing ratio was nil (2024: nil).

TREASURY POLICIES

The Group adopts prudent treasury policies. The Group has been monitoring its procedures to ensure that follow-up actions are taken to recover overdue debts. In addition, the Group's management regularly reviews the recoverable amount of each individual trade receivable by taking into account the market conditions, customers' profiles and contractual terms to ensure that adequate provision of impairment is made for irrecoverable amounts. On top of these ongoing credit evaluations, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL STRUCTURE

As at 31 March 2025, the Company had 270,000,000 Shares in issue. There has been no change in the capital structure of the Group since the listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing"). The share capital of the Company only comprises ordinary shares.

MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

With the view of providing synergy to the Group and benefiting its market position in the advertising and media industries, on 11 July 2024, Most Company C Limited (an indirect wholly-owned subsidiary of the Company) acquired 31% of the issued share capital of To Be Honest Limited at the consideration of HK$2,908,152. Upon completion of the transaction on 11 July 2024, To Be Honest Limited became an indirect non-wholly owned subsidiary of the Company. For further details, please refer to the announcement of the Company dated 11 July 2024.

Save as disclosed above, the Group did not make any material acquisitions or disposal of subsidiaries, associates, or joint ventures during the Year.

SIGNIFICANT INVESTMENTS HELD

The Group did not hold any significant investment during the Year.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as those disclosed under the section headed "Business — Business Strategies" in the prospectus of the Company dated 16 March 2018 (the "Prospectus") and the section headed "Comparison of Business Strategies with Actual Business Progress" in this report, the Group currently has no other plan for material investments and capital assets.

CONTINGENT LIABILITIES

The Group did not have material contingent liabilities as at 31 March 2025.

FOREIGN EXCHANGE EXPOSURE

The Group operates in Hong Kong and all of the Group's transactions and cash and cash equivalents are denominated in Hong Kong dollars. The Directors consider that the Group is not subject to foreign exchange risk. Currently, the Group does not have a foreign currency hedging policy, but the Group's management continuously monitors its foreign exchange exposure.

PLEDGE OF ASSETS

As at 31 March 2025, none of the Group's assets were pledged.

EMPLOYEES AND REMUNERATION POLICIES

The total number of full-time employees were 81 and 90 as at 31 March 2024 and 2025, respectively. The Group's employee benefit expenses mainly include salaries, discretionary bonuses, commissions, medical insurance coverage, other staff benefits and contributions to retirement schemes. For the years ended 31 March 2024 and 2025, the Group's total employee benefit expenses (including Directors' emoluments) amounted to approximately HK$31.3 million and HK$35.2 million, respectively.

Remuneration is determined generally with reference to the qualification, experience and work performance of the relevant employee, whereas the payment of discretionary bonus is generally subject to work performance of the relevant employee, the financial performance of the Group in that particular year and general market conditions.

A share option scheme was adopted on 2 March 2018 by the Company. As at 31 March 2025 and up to the date of this report, no share options were granted.

COMPARISON OF BUSINESS STRATEGIES WITH ACTUAL BUSINESS PROGRESS

The following sets out a comparison of the business strategies as stated in the Prospectus with the Group's actual business progress for the Year and up to the date of this report.

Business strategies as stated in the Prospectus	**Actual business progress up to the date of this report**
Pursue growth through mergers and acquisitions and/or strategic alliance	Identifying potential acquisition targets which are engaged in, among others, video productions, event marketing, digital advertising and media related services and/or technology development. The Group completed one acquisition target, To Be Honest Limited, during the Year.
Expand the customer base and business operations through sales and marketing efforts	Hired additional sales executives to support the business growth in digital media services segment. Recruited marketing staff to assist in conducting pitching activities to build up and strengthen relationship with a broader customer base. Although new sales executives were hired during the Year, it is expected that more sales executives will be hired to boost the growth of our digital media services.
Upgrade IT infrastructure and procure equipment with advanced technologies to facilitate production efficiency	Upgraded the internal IT system of the Group and procured new production equipment with advanced technologies.
Strengthen the efforts in events organisation to further extend the Group's marketing channels	Held ten events in total in the form of live performance since the Listing.

USE OF PROCEEDS

The Shares have been successfully listed on the Main Board of the Stock Exchange on 28 March 2018 ("the Listing Date"). The actual net proceeds from the Listing, after deducting commission and expenses in connection with the Listing, were approximately HK$53.5 million (the "Actual Net Proceeds"). On 17 March 2021, the Board resolved to change the use and allocation of the unutilised Actual Net Proceeds ("Change in Allocation of Proceeds"). For further details of the Change in Allocation of Proceeds and the reasons and benefits of such change, please refer to the announcement of the Company dated 17 March 2021. As disclosed in the annual report of the Company for the year ended 31 March 2023, the Board extended the expected timeline for the application of the unutilised proceeds to a date falling on or before 31 March 2025 in view of the dynamic changes in the global and local economic environment since the onset of COVID-19 in 2020 and the associated demand uncertainty. Save for the update in expected timeline for application of the unutilised proceeds, there was no other change for the plan for use of the unutilised proceeds. The Actual Net Proceeds have been fully utilised as at 31 March 2025. The table below sets out the actual use of the Actual Net Proceeds up to 31 March 2025.

Business strategies as stated in the Prospectus	**Original allocation of Actual Net Proceeds from the Listing** HK$ million	**Revised allocation of Actual Net Proceeds after Change in Allocation of Proceeds as at 17 March 2021** HK$ million	**Actual uses of the Actual Net Proceeds from Listing Date to 31 March 2024** HK$ million	**Unutilised proceeds as at 31 March 2024** HK$ million	**Actual uses of the Actual Net Proceeds from 1 April 2024 to 31 March 2025** HK$ million	**Unutilised proceeds as at 31 March 2025** HK$ million	**Expected timeline for the application of the unutilised proceeds**
Pursue growth through mergers and acquisitions and/or strategic alliance	15.19	5.35	1.97	3.38	3.38	–	N/A
Expand the customer base and business operations through sales and marketing efforts	11.72	10.70	10.70	–	–	–	N/A
Upgrade IT infrastructure and procure equipment with advanced technologies to facilitate production efficiency	11.13	2.68	2.68	–	–	–	N/A
Strengthen the efforts in events organisation to further extend the Group's marketing channels	10.11	16.05	16.05	–	–	–	N/A
As working capital and for general corporate purposes	5.35	18.72	18.72	–	–	–	N/A
Total	53.50	53.50	50.12	3.38	3.38	–	

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year (2024: nil).

EXECUTIVE DIRECTORS

Mr. Iu Kar Ho (姚家豪) (also known as Bu (阿 Bu)), aged 42, was appointed as Director on 8 June 2017 and was redesignated as an executive Director and appointed as the chairman of the Board on 22 June 2017. He is one of the founders of the Group and one of the controlling shareholders (as defined in the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules")) of the Company (the "Controlling Shareholders"). Mr. Iu is primarily responsible for overall strategic management and the business operations. Mr. Iu is a director of Blackpaper Limited ("Blackpaper BVI"), a company which has an interest in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

Mr. Iu has over 17 years of experience in the media and entertainment industry. He joined Commercial Radio Hong Kong which principally engages in radio broadcasting as a programme assistant since July 2006 and was mainly responsible for assisting in managing the operation of radio programmes. Mr. Iu was subsequently promoted to the position of disc jockey at Commercial Radio Hong Kong in April 2011 and hosted various radio programmes.

Mr. Iu left Commercial Radio Hong Kong in May 2013 and has been working in Blackpaper Limited ("Blackpaper HK") as one of its directors on a full time basis since June 2013.

Mr. Iu graduated from the College of International Education of the Hong Kong Baptist University with an associate degree of arts in September 2006.

Mr. Luk Ka Chun (陸家俊) (also known as Chan Keung (陳強)), aged 41, was appointed as Director on 8 June 2017 and was redesignated as an executive Director on 22 June 2017. He is one of the founders of the Group and one of the Controlling Shareholders. Mr. Luk is primarily responsible for overall strategic management and the financial operations. Mr. Luk is a director of Blackpaper BVI, a company which has an interest in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

Mr. Luk has over 17 years of experience in the media and entertainment industry. He joined Commercial Radio Hong Kong in May 2005 as a programme assistant and was mainly responsible for assisting in managing the operation of radio programmes. He started hosting radio programmes since July 2005 and was promoted to the position of disc jockey at Commercial Radio Hong Kong in April 2011. Mr. Luk left Commercial Radio Hong Kong in July 2011 and has been working in Blackpaper HK as one of its directors on a full time basis since August 2011. Mr. Luk has also been a columnist for newspapers since May 2010.

Mr. Luk obtained a degree of Bachelor of Science (Honours) in Environmental Science and Management from the City University of Hong Kong in November 2005.

Ms. Leung Hoi Yui (梁海蕊), aged 42, was appointed as an executive Director on 12 November 2024 and is a member of the Nomination Committee of the Company. She is also the general manager of the Group, and is responsible for overseeing of daily operation and corporate development of the Group. Ms. Leung has an interest in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

Ms. Leung has over 17 years of experience in the sales and event planning industry. She started working at Senasia Publication Group Limited ("Senasia") as a marketing executive in August 2006 and was mainly responsible for book marketing and events organisation. She was promoted to be an assistant marketing manager in Senasia in April 2008. Ms. Leung left Senasia in August 2008 and joined Wide Connection Limited ("Wide Connection") where she served as a senior marketing executive from August 2008 to May 2009 and as an advertising executive from June 2009 to February 2010. Her major responsibilities at Wide Connection included events organisation and media sales. From October 2010 to September 2012, she worked in OMNIMEDIA HK LIMITED as an assistant account manager and was further promoted to be the account manager in October 2011. She then worked in One Media Group Limited as a senior sales manager from October 2012 to March 2015. She has joined the Group since April 2015 as a senior sales manager and has been responsible for overall sales management. In November 2020, Ms. Leung was promoted to be the general manager of the Group.

Ms. Leung was awarded a bachelor of arts degree in journalism and mass communication from Hong Kong Shue Yan College (currently known as Hong Kong Shue Yan University) in July 2006.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Leung Wai Man (梁偉文) (also known as Linxi (林夕)), aged 63, was appointed as independent non-executive Director on 2 March 2018. He is also a member of each of the Company's audit committee (the "Audit Committee"), remuneration committee (the "Remuneration Committee") and nomination committee (the "Nomination Committee").

Mr. Leung has over 30 years of experience in the media and entertainment industry and is an accomplished lyricist, writer and columnist. He has been writing lyrics for Cantonese and Mandarin pop songs.

Mr. Leung received the Best Lyricist Award at the Ultimate Song Chart Awards Presentation from 1995 to 2003 and from 2006 to 2009. He was awarded the Golden Needle Award at the Top Ten Chinese Gold Songs Award Concert in 2008.

Mr. Leung graduated from the University of Hong Kong with a Bachelor of Arts degree in November 1984.

Mr. Ho Kwong Yu (何光宇), aged 39, was appointed as independent non-executive Director on 2 March 2018. Mr. Ho is also the chairman of the Audit Committee and a member of each of the Remuneration Committee and Nomination Committee.

Mr. Ho has over 17 years of audit, accounting and financial management experience. He has been in office in multiple senior positions in listed and private companies. Mr. Ho is currently an independent non-executive director of Sino Golf Holdings Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 361). Mr. Ho was appointed as an executive director of Space Group Holdings Limited ("Space Group"), a company listed on the Main Board of the Stock Exchange (Stock Code: 2448) with effect from 29 July 2020 and resigned as an executive director with effect on 21 June 2024. Space Group was incorporated in the Cayman Islands on 24 April 2017, and was principally engaged in the provision of building construction works and fitting-out works. A winding up petition was filed by Huang Bingchen (the "Petitioner") with the High Court of Hong Kong against Space Group in 2023 on the grounds that Space Group was indebted to the Petitioner and that it was unable to pay its debts. On 15 July 2024, Space Group was ordered to be wound up by the High Court of Hong Kong. Mr. Ho confirmed that (a) there was no wrongful act on his part leading to the aforesaid winding up of Space Group; and (b) he is not aware of any actual or potential claim that has been or will be made against him as a result of the winding up of Space Group.

Mr. Ho graduated from the Chinese University of Hong Kong with a Bachelor of Business Administration degree in professional accountancy in December 2008. He has been a member of the Hong Kong Institute of Certified Public Accountants since January 2011.

Mr. Leung Ting Yuk (梁廷育), aged 50, was appointed as independent non-executive Director on 2 March 2018. Mr. Leung is also the chairman of each of the Nomination Committee and Remuneration Committee and a member of the Audit Committee.

Mr. Leung has over 22 years of audit, accounting, financial management and corporate finance experience. Mr. Leung has been appointed as an independent non-executive director of Yanchang Petroleum International Limited (stock code: 346) since December 2009, Xinyi Energy Holdings Limited (stock Code: 3868) since November 2018, Tai United Holdings Limited (stock code: 718) since July 2023 and Tokyo Chuo Auction Holdings Limited (stock code: 1939) since May 2025, all of which are listed on the main board of the Stock Exchange.

Mr. Leung graduated from the University of Wollongong, Australia with a bachelor of commerce degree in accounting in September 2000. He has been a member of the Hong Kong Institute of Certified Public Accountants since January 2008 and CPA Australia since November 2000.

BIOGRAPHICAL DETAILS OF DIRECTORS, SENIOR MANAGEMENT AND COMPANY SECRETARY

SENIOR MANAGEMENT

Mr. Yuen Kam Shing (元金盛), aged 39, is the head of art and design of the Group, and is responsible for the overall supervision of the art work of the Group. He and the art managers jointly lead the design team which is mainly responsible for creating and producing the artworks in the creative productions across different business segments.

Mr. Yuen has over 17 years of experience in the artistic industry. He worked at the Skyhigh Department of Commercial Radio Productions as the Project Executive from August 2007 to January 2012 and was responsible for graphic design. He then joined Blackpaper HK as the art director in February 2012 and has been responsible for the management of the art and design department.

Mr. Yuen was awarded a higher diploma in printing and computer imaging by the Hong Kong Vocational Training Council in July 2006. He completed a distant learning course and was awarded bachelor of arts with honours in visual communication (time-based media) by the Birmingham City University (formerly known as the University of Central England in Birmingham) in July 2007.

COMPANY SECRETARY

Mr. Lo Tai On (羅泰安), aged 70, was appointed as the company secretary of the Company (the "Company Secretary") on 10 July 2017. Mr. Lo is primarily responsible for overseeing the company secretarial matters of the Group.

Mr. Lo has over thirty years of experience in the field of company secretarial services. He is a director of Fair Wind Secretarial Services Limited, being a company that renders company secretarial services. He is also currently the company secretary of a number of companies listed on the Stock Exchange. Mr. Lo is a member of the Hong Kong Institute of Certified Public Accountants.

Mr. Lo is not an employee of the Group, and Mr. Luk, the executive Director and authorised representative of the Company, who act as the principal channel of communication between the Stock Exchange and the Company, is the person whom Mr. Lo contacts for the purpose of code provision C.6.1 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

CORPORATE GOVERNANCE REPORT

The Company's corporate governance code is based on the principles of the Corporate Governance Code (the "CG Code") that were in force as set out in Appendix C1 to the Listing Rules. The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and to ensure a quality Board with transparency with accountability to shareholders.

The Company has applied the principles and complied with all code provisions that were in force as set out in the CG Code during the Year.

The Board will continue to review and enhance the corporate governance practices of the Company to ensure the corporate governance reports for the upcoming financial years will comply with the revised CG Code and align with the latest developments.

The Board conducts at least four regular Board meetings a year and additional meetings will be held or resolutions in writing signed by all Directors in lieu of a meeting will be arranged as and when required. If a substantial shareholder of the Company or a Director has a conflict of interest in a transaction which the Board determines to be material, it is considered and dealt with by the Board at a duly convened Board meeting. Comprehensive information on matters to be discussed at the Board meeting will be supplied to the Directors in a timely manner to facilitate discussion and decision-making.

COMPOSITION OF THE BOARD

At the date of this report, the Board comprises three executive Directors and three independent non-executive Directors. During the year ended 31 March 2025, the names and office of each of the member of the Board and the Board committees of the Company are as follows:

Board members	**Office**
Iu Kar Ho	Chairman and executive Director
Luk Ka Chun	Executive Director
Leung Hoi Yui	Executive Director (appointed on 12 November 2024)*(Note)*
Leung Wai Man	Independent non-executive Director
Ho Kwong Yu	Independent non-executive Director
Leung Ting Yuk	Independent non-executive Director

Audit Committee members

Ho Kwong Yu *(chairman)*
Leung Ting Yuk
Leung Wai Man

Remuneration Committee members

Leung Ting Yuk *(chairman)*
Ho Kwong Yu
Leung Wai Man

Nomination Committee members

Leung Ting Yuk *(chairman)*
Ho Kwong Yu
Leung Wai Man

Note: Ms. Leung obtained the legal advice referred to in Rule 3.09D of the Listing Rules on 23 October 2024, and has confirmed she understood her obligations as a Director of the Company.

CORPORATE GOVERNANCE REPORT

The biographies of the Directors are set out in “Biographical Details of Directors, Senior Management and Company Secretary” on pages 11 to 14 of this annual report.

Two executive Directors, Mr. Iu Kar Ho and Mr. Luk Ka Chun have signed a service contract with the Company for a term of three years, commencing from 28 March 2024 (subject to termination in certain circumstances as stipulated in the relevant service contact). Executive Director, Ms. Leung Hoi Yui has signed a service contract with the Company for a term of three years, commencing from 12 November 2024 (subject to termination in certain circumstances as stipulated in the relevant service contact).

Each of the independent non-executive Directors has signed a letter of appointment with the Company for a term of three years, commencing on 28 March 2024 (subject to termination in certain circumstances as stipulated in the relevant letter of appointment).

All Directors are subject to retirement by rotation at least once every three years in accordance with the articles of association of the Company (the “Articles”).

The Board composition is regularly reviewed to ensure that it has a balance of skills and experience appropriate for the requirement of the business of the Group. A balanced composition of executive Directors and independent non-executive Directors is maintained to ensure independence and effective management. The Company has satisfied the relevant provision of the Listing Rules in having at least one of the independent non-executive Directors with appropriate professional qualifications of accounting or related financial management expertise. There is no relationship among the members of the Board.

The appointment of Directors is to be recommended by the Remuneration Committee and the Nomination Committee, and subsequently approved by the Board based on a formal written procedure and policy for the appointment of new Directors. When selecting potential candidates for the Directors, their skills, experience, expertise, devotion of time and absence of conflicts of interests are the key factors.

The daily operation and management of the business of the Group, among other matters, and the implementation of strategies are delegated to the executive Directors and senior management. They report periodically to the Board on their work and business decisions.

All Directors have been fully consulted about any matters proposed for inclusion in the agenda for regular meetings. The Chairman of the Board has delegated the responsibility for drawing up the agenda for each Board meeting to the Company Secretary.

With the assistance of the Company Secretary, the Chairman of the Board seeks to ensure that all Directors are properly briefed on issues arising at the Board meetings, and have received adequate and reliable information in a timely manner.

Notice of at least 14 days is given to the Directors for regular meetings, while the Board papers are sent to the Directors at least three days before the intended date of a Board or Board committee meeting. With respect to other meetings, the Directors are given as much notice as is reasonable and practicable in the circumstances. The Directors can attend meetings in person or through other means of electronic communication in accordance with the Articles. The Company Secretary ensures that the procedures and all applicable rules and regulations are complied with. Minutes of the Board meetings and meetings of the Board committees are kept at the registered office and are available for inspection at any time on reasonable notice by any Director.

The Directors have full access to information of the Group and are able to obtain independent professional advice whenever they deem necessary. The Directors will be updated with legal and regulatory changes and matters of relevance to the Directors in the discharge of their duties from time to time. The Audit Committee, Nomination Committee and Remuneration Committee are provided with sufficient resources to perform their duties.

Minutes of Board meetings and of Board committee meetings would be recorded in sufficient detail and include the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft minutes are normally circulated to Directors or members of the relevant Board committees for comment within a reasonable time after each meeting.

Any material transaction, which involves a conflict of interest between a substantial shareholder or a Director and the Company, will be considered and dealt with by the Board at a duly convened Board meeting with the presence of the independent non-executive Directors. Directors are abstained from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

The Company has received from each of the independent non-executive Directors an annual confirmation of their independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive Directors are independent.

Purpose, Values, Strategy and Culture

The Group upholds high standards of integrity, transparency and accountability in its business. It strives to foster a culture of compliance, good corporate governance and ethical behaviour with its stakeholders to build trust and credibility. The Board is committed to developing a positive culture that is built on its core values to provide guidance on employees' conduct and behaviour as well as business activities, to ensure that they are embedded within the Group's vision, mission, policies and business strategies.

Responsibilities

Over the course of discharging their duties, the Directors act in good faith, with due diligence and care, and in the best interests of the Company and its shareholders. Their responsibilities include (i) convening regular board meetings which focus on business strategy, operational issues and financial performance; (ii) monitoring the quality, timeliness, relevance and reliability of internal and external reporting; (iii) monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in connected transaction; and (iv) ensuing processes are in place to maintain the overall integrity of the Company, including financial statements, relationships with suppliers, customers and other stakeholders, and compliance with all laws and ethics.

Director's Responsibilities for the Consolidated Financial Statements

The Directors acknowledge their responsibilities for the preparation of consolidated financial statements of the Group and ensure that the consolidated financial statements of the Group are prepared in accordance with statutory requirements and applicable accounting standards. The Directors also ensure the timely publication of the consolidated financial statements of the Group. In preparing the accounts for the Year, the Directors have, among other things:

- selected suitable accounting policies and applied them consistently;
- approved the adoption of all Hong Kong Financial Reporting Standards which are in conformity with the International Financial Reporting Standards;
- attended to the disclosure requirements under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong); and
- made judgments and estimates that are prudent and reasonable, and have prepared the accounts on the going concern basis.

CORPORATE GOVERNANCE REPORT

The Directors confirm that, to the best of their knowledge, information and belief, and having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

Chairman and Chief Executive Officer

Code provision C.2.1 of the CG Code provides that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and Chief Executive Officer should be clearly established set out in writing. Mr. Iu Kar Ho is the Chairman of the Board and the Company has not appointed any Chief Executive Officer. The duties and responsibilities of the Chief Executive Officer are carried out by Mr. Iu Kar Ho and Mr. Luk Ka Chun. The Chairman of the Board provides leadership to the Board in terms of formulating policies and strategies, and discharges those duties set out in code provision C.2 of the CG Code.

Board Diversity Policy

The Board has adopted a board diversity policy (the "Board Diversity Policy") which sets out the approach to achieve a sustainable and balanced development of the Company and also to enhance the quality of performance of the Company. The Board recognises the importance of gender, social and ethnic diversity which brings to Board effectiveness.

The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

Selection of candidates for the Directors will be based on a range of diversity perspectives as stated in the above. The ultimate decision will be based on merit and contribution that selected candidates are to bring to the Board.

As at the date of this report, the Company has 90 employees in total comprising 43 females and 47 males (a female-to-male ratio of 0.9:1), reflecting that the gender equality principle has been generally adhered by the Company. The Company is mindful of the objectives as set out in the diversity policy when assessing the candidacy of the employees, and will ensure that the Company shall continue to follow the policy.

The Board targets to achieve gender diversity on the Board, which shall not be lower than the Listing Rules' requirement. The Board is committed to further improving gender diversity as and when suitable Director candidates are identified. Currently, there are five male and one female Board members, which meets the requirements under the Listing Rules. The Nomination Committee is of the view that the Board has the combination of diversity and balance and is suitable for the business of the Group. Going forward, the Board and the Nomination Committee are committed to take opportunities that may arise to increase the ratio of female Board members towards greater gender parity (including without limitation building of a pool of potential successors to the Board that is adequately diverse). Three Directors are independent non-executive Directors, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity in terms of professional background, skills industry experience and other qualities of the Directors.

Mechanisms to Ensure Independent Views

The Board has adopted effective mechanisms to ensure that independent views and input are available to the Board. Subject to approval of the Chairman of the Board, Directors may seek, at the Company's expense, independent legal, financial or other professional advice from advisors independent to those advising the Company as and when necessary to enable them to discharge their responsibilities effectively. The Board will review the implementation and effectiveness of such mechanisms on an annual basis.

The Board considers that the above mechanisms are effective in ensuring that independent views and input are provided to the Board.

Board Meetings and General Meetings

During the Year, four meetings were held by the Board. The attendance record of each Director is set out below:

Name of Board members	**Number of attended meetings/Total number of meetings**
Executive Directors	
Iu Kar Ho *(Chairman)*	4/4
Luk Ka Chun	4/4
Leung Hoi Yui (appointed on 12 November 2024)	2/2
Independent non-executive Directors	
Leung Wai Man	3/4
Ho Kwong Yu	4/4
Leung Ting Yuk	4/4

Note: The attendance figure represents the actual attendance/the number of meetings a Director was required to attend.

The annual general meeting of the Company ("AGM") provides opportunities for the shareholders of the Company to meet and raise questions to our Directors, the management and the external auditors. The 2024 AGM was held on 21 August 2024 and the attendance record of each Director is set out below:

Name of Directors	**Number of attended AGM/Total number of AGM**
Executive Directors	
Iu Kar Ho *(Chairman)*	1/1
Luk Ka Chun	1/1
Leung Hoi Yui (appointed on 12 November 2024)	N/A
Independent non-executive Directors	
Leung Wai Man	0/1
Ho Kwong Yu	1/1
Leung Ting Yuk	1/1

Note: The attendance figure represents the actual attendance/the number of meetings a Director was required to attend.

Delegation by the Board

The Board has reserved for its decision and consideration of issues in relation to (i) formulating the strategic objectives of the Group; (ii) considering and deciding the Group's significant operational and financial matters, including but not limited to substantial mergers, acquisitions and disposals; (iii) overseeing the Group's corporate governance practices; (iv) ensuring that an internal control and risk management systems are put in place; (v) directing and monitoring senior management in pursuit of the Group's strategic objectives; and (vi) determining the remuneration packages of all Directors and the Group's senior management, including benefits in kind, pension rights and compensation payments for loss or termination of their office or appointment. Implementation and execution of Board policies and strategies and the daily administrative matters are delegated to the respective Board committees and the management team of the Company.

The Board has established three committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee. Specific responsibilities of each committee are described below. All committees have defined terms of reference which are no less exacting than those set out in the CG Code.

Audit Committee

The Audit Committee was established on 2 March 2018 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision D3 of the CG Code. The Audit Committee comprises three independent non-executive Directors, namely Mr. Ho Kwong Yu, Mr. Leung Wai Man and Mr. Leung Ting Yuk.

The chairman of the Audit Committee is Mr. Ho Kwong Yu, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The primary duties of the Audit Committee include, but are not limited to, the following: (i) making recommendations to the Board on the appointment and removal of the external auditor; (ii) reviewing the half-yearly and annual financial statements of the Group and monitoring the integrity of such financial statements; (iii) overseeing the financial reporting system and internal control procedures; and (iv) reviewing the internal control and risk management systems of the Company.

During the Year, two Audit Committee meetings were held to review, inter alia, the Company's interim and annual results, the internal control and risk management systems of the Group, and recommended to the Board to approve the re-appointment of the independent auditor of the Group. There was no disagreement between the Board and the Audit Committee on the selection and appointment of external auditors. The attendance record of each member of the Audit Committee is set out below:

Name of Audit Committee members	Number of attended meetings/Total number of meetings
Leung Wai Man	2/2
Ho Kwong Yu	2/2
Leung Ting Yuk	2/2

Note: The attendance figure represents the actual attendance/the number of meetings a Director was required to attend.

The Company's financial statements for the Year have been reviewed by the Audit Committee. The Audit Committee considered that the relevant financial statements have been prepared in compliance with the applicable accounting principles and requirements of the Stock Exchange and disclosures have been fully made.

Remuneration Committee

The Remuneration Committee was established with written terms of reference in compliance with code provision E.1 of the CG Code on 2 March 2018. The Remuneration Committee comprises three independent non-executive Directors, namely, Mr. Leung Ting Yuk, Mr. Ho Kwong Yu and Mr. Leung Wai Man. The chairman of the Remuneration Committee is Mr. Leung Ting Yuk.

The primary duties of the Remuneration Committee include, but are not limited to, the following: (i) assessing the performance of executive Directors and senior management and making recommendations to the Board on the policy and structure for the remuneration of all the Directors and senior management; (ii) making recommendations to the Board on the establishment of a formal and transparent procedure for developing remuneration policy; (iii) with delegated responsibility of determining the terms of service contracts and the remuneration packages of individual executive Directors and senior management and to make recommendations to the Board on the remuneration of the non-executive Directors; (iv) reviewing and approving the senior management's remuneration proposals with reference to the corporate goals and objectives from time to time; and (v) review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

During the Year, two Remuneration Committee meetings were held to review the remuneration package of the Directors and the senior management and make recommendations to the Board on the remuneration package of new director and approve the terms of the service contract of the new director. The attendance record of each member of the Remuneration Committee is set out below:

Name of Remuneration Committee members	Number of attended meetings/Total number of meetings
Leung Wai Man	1/2
Ho Kwong Yu	2/2
Leung Ting Yuk	2/2

Note: The attendance figure represents the actual attendance/the number of meetings a Director was required to attend.

Details of the directors' remuneration and five highest paid individuals for the Year as regarded to be disclosed pursuant to the CG Code are provided in notes 7(b) and 29(a) to the consolidated financial statements.

During the Year, the remuneration of the senior management (other than Directors) is listed below by band:

	Number of members of senior management
HK$0 to HK$1,000,000	1
HK$1,000,001 to HK$1,500,000	0

Nomination Committee

The Nomination Committee was established with written terms of reference in compliance with code provision B.3 of the CG Code on 2 March 2018. The Nomination Committee comprises three independent non-executive Directors, namely Mr. Leung Ting Yuk, Mr. Ho Kwong Yu and Mr. Leung Wai Man. The chairman of the Nomination Committee is Mr. Leung Ting Yuk.

The primary functions of the Nomination Committee include, but are not limited to, the following: (i) reviewing the structure, size and composition of the Board; (ii) assessing the independence of the independent non-executive Directors; and (iii) making recommendations to the Board on matters relating to the appointment or re-appointment of Directors and succession planning for Directors.

During the Year, two Nomination Committee meetings were held to (i) review and consider the structure, size, diversity and composition of the Board; (ii) assess the independence of independent non-executive Directors; (iii) recommend the re-appointment of Directors and (iv) receive and consider the appointment of new director in accordance with the Company's nomination policy and make recommendations to the Board. The attendance record of each Committee member of the Nomination Committee is set out below:

Name of Nomination Committee members	**Number of attended meetings/Total number of meetings**
Independent non-executive Directors	
Leung Wai Man	1/2
Ho Kwong Yu	2/2
Leung Ting Yuk	2/2

Note: The attendance figure represents the actual attendance/the number of meetings a Director was required to attend.

The Nomination Committee will review the Board composition by considering the benefits of all aspects of diversity, including but not limited to those described under the heading of Board Diversity Policy in this annual report. The Board Diversity Policy shall be reviewed by the Nomination Committee, as appropriate, to ensure its effectiveness.

Nomination policy

The Company has adopted a policy for the nomination of Directors, which sets out the procedures as well as the process and criteria for nomination and appointment of a new Director and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the needs of the Company's business.

The Nomination Committee should, upon receipt of the proposal on appointment of a new Director and his/her biographical information, evaluate such candidate based on the criteria as set out in the nomination policy, such as character and integrity, qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy, to determine whether such candidate is qualified for directorship. If the process yields one or more desirable candidates, the Nomination Committee should rank them by order of preference based on the needs of the Company and reference check of each candidate. The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable. For any person that is nominated by a shareholder for election as a Director at the general meeting of the Company, the Nomination Committee should evaluate such candidate based on the criteria such as character and integrity, qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy etc., as set out in the nomination policy to determine whether such candidate is qualified for directorship. The shareholders may propose a person for election as a director, details of which are set out in the "Procedures for Shareholders to propose a person for election as a director of the Company" published on the Company's website.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance duties as set out in code provision A.2.1 of the CG Code. As mentioned under the paragraph headed "Board Meetings and General Meetings" above, the Board has (i) reviewed the Company's practices on corporate governance during the Year, (ii) reviewed and monitored the training and continuous professional development of the Directors and senior management for the Year, (iii) reviewed and monitored the Company's practices on compliance with legal and regulatory requirements for the Year, (iv) reviewed and monitored the Company's corporate governance code and the code of conduct applicable to the Directors for the Year; and (v) reviewed the Company's corporate governance policies, including the board diversity policy, mechanisms to ensure independent views of the Board and shareholders communication policy and the Company's compliance with the CG Code and disclosure in this report.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in the Model Code for Securities Transaction by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "Model Code"). In response to the specific enquiry made by the Company, all Directors have confirmed that they had compiled with the Model Code during the Year.

CONTINUOUS PROFESSIONAL DEVELOPMENT FOR DIRECTORS

The Directors must keep abreast of their collective responsibilities. The Directors are continually updated with business and market changes, and legal and regulatory developments to facilitate the discharge of their responsibilities through various Board meetings, resolutions, memoranda, Board papers, and updates on corporate governance practices and director's responsibilities under the Listing Rules, applicable laws and other relevant statutory requirements.

Newly appointed Director has been provided with necessary induction training and information to ensure that she has a proper understanding of the Company's operations and businesses as well as her responsibilities under relevant ordinances, laws, rules and regulations. All the Directors confirmed that they had complied with code provision C.1.4 of the CG Code during the year ended 31 March 2025, that all Directors had participated in the continuous professional developments in relation to regulatory update, the duties and responsibility of the Directors and the business of the Group including reading materials in relation to regulatory update and/or attending seminar to develop professional skills.

CORPORATE GOVERNANCE REPORT

Up to the date of this annual report, the Directors participated in the following training programs:

Name of Directors	**Attending training courses and/or seminars and/or briefings**	**Reading materials relevant to the latest development of applicable regulatory requirements and the Listing Rules**
Executive Directors		
Iu Kar Ho *(Chairman)*	✓	✓
Luk Ka Chun	✓	✓
Leung Hoi Yui	✓	✓
Independent non-executive Directors		
Leung Wai Man	✓	✓
Ho Kwong Yu	✓	✓
Leung Ting Yuk	✓	✓

DIRECTORS AND OFFICERS INSURANCE

Appropriate insurance policies that cover directors' and officers' liabilities have been in force to protect the directors and officers of the Group from their risk exposure arising from the business of the Group and, as at the date of this annual report, the Directors and officers of the Company are indemnified under a directors' and officers' liability insurance against any liability incurred by them in discharge of their duties while holding office as the Directors and officers of the Company. The Directors and officers of the Company shall not be indemnified where there is any fraud, breach of duty or breach of trust proven against them.

COMPANY SECRETARY

The Company has engaged and appointed Mr. Lo Tai On, a representative from an external secretarial services provider as the Company Secretary and his primary corporate contact person is Mr. Luk Ka Chun, an executive Director, for the purpose of code provision C.6.1 of the CG Code. The Company Secretary functions to ensure a good information flow within the Board and between the Board and senior management of the Company, to provide advice to the Board in relation to the Directors' obligations under the Listing Rules and applicable laws and regulations and to assist the Board in implementing the corporate governance practices. Mr. Lo Tai On, the Company Secretary, has attended not less than 15 hours of training as required under Rule 3.29 of the Listing Rules during the Year.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges that it is responsible for monitoring the risk management and internal control systems of the Group on an ongoing basis and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss. There is currently no internal audit function within the Group as the Group had engaged external professional to perform a review of its internal control and risk management systems for the Year to identify, evaluate, manage and rectify significant risks of the Group. The Company will review annually to consider setting up its internal audit department to perform internal audits for the Group.

The internal control and risk management systems of the Group based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control — Integrated Framework 2013. Under the enterprise risk management framework, policies and procedures are in place to identify, assess, manage, control and report risks. Such risks include strategic, credit, operational (administrative, system, human resources, tangible and reputation), market, liquidity, legal and regulatory risks as well as ESG and climate -related risks. Exposure to these risks is continuously monitored by the Board through the Audit Committee.

In specific, the risk management process of the Group is described as follows:

- Risk identification — identify the current risks confronted.

- Risk analysis — conduct analysis on the risk including the impact extent and possibility of occurrence. Risk is scored and prioritised.

- Risk response — choose proper risk response methods and develop risk mitigation plans.

- Control measures — propose up-to-date internal control measures and policy and process.

- Risk control — continuously monitor the risks identified and implement relevant internal control measures to ensure the effective operation of the risk mitigation plans.

- Risk monitoring and reporting — enable the Board, the Audit Committee and Management to determine whether the risk mitigation plans are functioning properly. It is to ensure the plans are properly communicated to those responsible for taking actions to address them effectively.

The Board, through the Audit Committee, conducted an annual review of the adequacy and the effectiveness of the design and implementation of the risk management and internal control systems of the Group for the Year, which covered all material controls including financial, operational and compliance controls. The annual review considered various matters, including but not limited to the Group's ability to cope with its business transformation and changing external environmental factors in terms of significant risks, the scope and quality of management's ongoing monitoring of risks and of the internal controls systems and results of internal audit work, the extent and frequency of communication of monitoring results to the Board in relation to the result of risk and internal control review, significant control failing or weakness identified and their related implications, and status of compliance with the Listing Rules. Such annual review was done with a view to ensure that resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions are adequate. In this respect, the Audit Committee would communicate any material issues to the Board.

Measures to enhance the risk management and internal control systems of the Group, and those to mitigate risks of the Group were adopted by the Board. Based on the findings and recommendations, as well as the comments of the Audit Committee, the Board considers the internal control and risk management systems effective and adequate for the Year.

The Group strictly follows the requirements of the SFO and the Listing Rules and ensures that inside information is disclosed to the public as soon as reasonably practicable. Before inside information is fully disclosed to the public, such information is kept strictly confidential.

The handling and dissemination of inside information of the Group is strictly controlled and remains confidential including but not limited by the following ways:

- Restrict access to inside information to a limited number of employees on a need-to-know basis;
- Remind employees who are in possession of inside information to be fully conversant with their obligations to preserve confidentiality;
- Ensure that appropriate confidentiality agreements are in place when the Group enters into significant negotiations or dealings with third parties;
- Inside information is handled and communicated by designated persons to the independent third party; and
- The Board and senior management reviews the safety measures regularly to ensure that inside information is properly handled and disseminated.

The Board considered the procedures and measures in relation to the handling and dissemination of the inside information to be effective and adequate.

Business Ethics

The Group upholds its values of integrity and fosters trust with our business partners and stakeholders by maintaining good corporate governance. When it comes to any part of the Group's operations, the Company has zero tolerance approach for all kind of bribery, fraud, and corruption. On top of complying with relevant laws and regulations, the Group has a Code of Conduct and policies for all employees to carry out their responsibilities honestly and ethically. The Company maintains good governance in all facets of its operations, upholding high standards of ethics, accountability, openness, probity, and transparency.

Anti-corruption

The Group is committed to preventing, detecting, and reporting to any levels of bribery and corruption. The Board has adopted an anti-fraud policy of the Company (the "Anti-Fraud Policy") to provide principles for all directors, officers, and employees at all levels of the Company and its subsidiaries or companies in which the Company holds a controlling interest to follow in order to conduct business honestly and lower the likelihood of corruption and bribery. The Group conducts periodic and systematic fraud risk assessments to mitigate fraud risks identified internally and externally.

Whistleblowing

The Board has adopted a whistleblowing policy of the Company (the "Whistleblowing Policy") to provide guidance on the procedure of reporting allegations of fraud and misconduct by directors, officers and employees at all levels of the Company and its subsidiaries and stakeholders. All whistleblowing reports and the identity of the whistleblower are treated in strict confidence with the procedures set out in the Whistleblowing Policy. The matter raised may be investigated internally and referred to the Audit Committee or management, or referred to external lawyers or auditors. The Group will reply to the whistleblower within seven working days after a report is received and will decide whether a thorough investigation is necessary. When a report exposes alleged criminal offences, the Group will consult the legal advisor, and decide whether to refer the case to the competent authorities for next steps. Most of the time, the Group will do the best to discuss with the whistleblower before referring a case to the competent authorities, but in some cases, the Group might need to refer a case to the competent authorities before informing or consulting the whistleblower. Once a case is referred to the competent authorities, the Group is unable to take any step in relation to the case, including informing the whistleblower. The whistleblower might be requested to make available more evidences during the investigation. The whistleblower will be informed of the investigation result in a written form. To the extent permitted by law, the Group might be unable to provide details on the actions taken or a copy of the report to the whistleblower. If the whistleblower is unsatisfied with the investigation result, he or she may lodge a complaint with the Board of Directors and the Audit Committee again. The whistleblower needs to prepare another report to explain why he or she is unsatisfied. The Group will launch another investigation only with good reason. At this stage, the whistleblower may lodge his or her concerns with the competent authorities such as the regulator or the law enforcement agency. Nevertheless, they must have sufficient evidence to support their concerns. The Group encourages them to discuss with the Board of Directors and the Audit Committee before disclosing the matters to the public. The whistleblower may also consult his or her legal advisor.

AUDITOR'S REMUNERATION AND RESPONSIBILITIES

The Company has appointed Baker Tilly Hong Kong Limited ("Baker Tilly") as the auditor of the Company. The reporting responsibilities of Baker Tilly are set out in the Independent Auditor's Report on pages 73 to 77 of this annual report. During the Year, remuneration paid and payable to the Group's current independent auditor in respect of the year ended 31 March 2025 are approximately HK$0.8 million for the annual audit fee. There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor during the Year.

DIVIDEND POLICY

The Company has adopted a dividend policy (the "Dividend Policy") on payment of dividends. Under the Companies Act of Cayman Islands and the Articles, dividends may be paid out of the profits of the Company, or subject to solvency of the Company, out of sums standing to the credit of the share premium account of the Company. However, no dividend shall exceed the amount recommended by Directors.

Declaration and recommendation of payment of dividends of the Company is subject to the approval of the Directors of the Company, depending on results of operations, working capital, financial position, future prospects, and capital requirements, as well as any other factors which the Directors of the Company may consider relevant from time to time. Any future declaration, recommendation and payment of dividends of the Company may or may not reflect the historical declarations and payments of dividends and will be at the absolute discretion of the Directors. The Company does not have any predetermined dividend payout ratio.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Board has adopted a shareholder's communication policy which sets out the Group's commitment to maintain an effective ongoing dialogue with shareholders. In summary, the Company establishes different communication channels with shareholders and stakeholders including: (i) provision of printed or electronic copies of corporate communications; (ii) provision of timely corporate information on the company website; (iii) holding of annual general meetings to provide a platform for shareholders to raise comments and exchange views with the Board; and (iv) arrangement in serving the shareholders in respect of all share registration matters. Since the shareholders and the investment community can timely access balanced and understandable information, as well as being able to exercise their rights in an informed manner, the Board reviewed the effectiveness and implementation of the shareholder's communication policy during the year and considered that it has remained effective in enhancing timely, transparent, accurate and open communication between the Company and its shareholders.

The Company considers that effective communication with its shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

The disclosure of the Group's information in a reasonable and timely manner by the Board is to facilitate the shareholders as well as the investors to have a better understanding of the business performance, operations and strategies of the Group. The Company's website at www.mostkwaichung.com allows potential and existing investors, as well as the public to get access to and acquire the Company's up-to-date corporate and financial information.

Shareholders are provided with contact details of the Company, such as the Company's email address and postal address, in order to enable them to make any queries that they may have with respect to the Company.

They can also send their enquiries to the Board through these means. The contact details of the Company are provided in this annual report, the "Corporate Information" section of this annual report and the Company's website.

The Board welcomes views of shareholders and encourages them to attend general meetings to raise any concerns that they may have with the Board or management directly. Board members and appropriate senior officers of the Group are available at the meetings to answer any questions raised by shareholders.

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING

To safeguard shareholders' interests and rights, separate resolutions are proposed at general meetings on each substantial issue, including the election of individual Directors, for shareholders' consideration and voting. Besides, pursuant to article 12.3 of the Articles, the Directors may, whenever they think fit, convene an extraordinary general meeting, and general meetings shall also be convened on written requisition, or in default, may be convened by such requisitionists. If any time there are not within Hong Kong sufficient Directors capable of acting to form a quorum, any Director or any two or more members of the Company representing at least 10% of the total voting rights of all members having a right to vote at general meetings, may convene a general meeting in the same manner as nearly as possible, as that in which meetings may be convened by the Directors.

Shareholders may send written enquiries to the Company or put forward any enquiries and proposals to the Board and put forward proposals at shareholders' meetings. The contact details are as follows:

Board of Directors
Most Kwai Chung Limited
Address: Unit 8, 16/F, Block B,
Tung Chun Industrial Building,
11–13 Tai Yuen Street, Kwai Chung,
New Territories,
Hong Kong
Email address: ir@mostkwaichung.com

To put forward proposals at an AGM or a general meeting, the shareholders shall submit a written notice of those proposals with detailed contact information to the Board at the Company's principal place of business in Hong Kong.

The request will be verified with the Company's branch share registrar in Hong Kong and upon its confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the proposed resolution in the agenda for the general meeting.

Moreover, the notice period concerning the notice to be given to all the shareholders for consideration of the proposals submitted by the shareholders concerned varies as follows pursuant to article 12.3 of the Articles:

(a) for an AGM, it shall be called by notice in writing of at least twenty-one clear days (or such longer period as may be required by the Listing Rules); and

(b) for a general meeting other than an AGM, it shall be called by notice in writing of at least fourteen clear days (or such longer period as may be required by the Listing Rules),

shall be given in the manner mentioned in the articles of association to all members, to the Directors and to the auditors.

For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the Company's principal place of business in Hong Kong and provide their full names, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

CONSTITUTIONAL DOCUMENTS

During the year ended 31 March 2025, there was no change in the memorandum and articles of association of the Company.

A copy of the memorandum and articles of association of the Company is available on the website of the Stock Exchange and the website of the Company.

REPORT OF THE DIRECTORS

The Board is pleased to present their report together with the audited consolidated financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The major subsidiaries of the Company are providing integrated advertising and media services to customers.

RESULTS AND DIVIDEND

Details of the audited consolidated results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 78 of this annual report.

The Board does not recommend the payment of a final dividend for the Year (2024: nil).

CLOSURE OF REGISTER OF MEMBERS

To determine the entitlement to attend and vote at the annual general meeting of the Company ("AGM") to be held on Tuesday, 19 August 2025, the register of members of the Company will be closed from Thursday, 14 August 2025 to Tuesday, 19 August 2025, both dates inclusive, during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 13 August 2025.

BUSINESS REVIEW

A discussion and analysis of the Group's performance during the Year is set out in the section headed "Management Discussion and Analysis" of this annual report and the key factors affecting its results and financial position, and the information on the compliance with laws and regulations, environmental policy and relationships with stakeholders are set out in this report of the Directors. Furthermore, a fair review of, and an indication of likely future development in the Group's business, are set out in the sections headed "Chairman's Statement" of this annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operation, business and prospects as a going concern may be affected by a number of risks and uncertainties. The followings are the key risks and uncertainties identified by the Group relating to its businesses:

— The Group has a complex integrated business model. The operating results depend on the interplay of the services and creative content offerings and the successful adaptation to the rapid changing customer preferences and technological development in the advertising and media industry.

— The Group heavily relies on social media platforms for publication of the creative content which are considered as the advertisement distribution platforms among the customers and any decline in usage of such social media platforms may materially affect our results of operations.

— The Group's business is highly sensitive to changing viewer preferences.

— If the Group fails to keep up with the rapidly changing technologies, the Group could lose the customers and the business and results of operations could be adversely affected.

- If the Group fails to attract, recruit or retain its key personnel including the executive Directors, senior management and other key employees, the ongoing operations and growth could be affected.

- The Group's business depends on the strong brand names and any unfavourable customer feedback or negative publicity could adversely affect the brands.

- The Group's business model is generally project-based and the Group generally does not enter into long term agreements with most of the customers. If the Group fails to retain existing customers or attract new customers, the results of operations could be materially affected.

- Decrease in demand for the print media services may cause the revenue to decline and the business and results of operations may be materially and adversely affected.

- Successful implementation of the business strategies and future plans are subject to uncertainties.

- The Group's business solely operates in a single geographical market and any adverse economic, social and/or political development affecting the market may have a material adverse impact on the operations.

- The Group is exposed to credit risk under the business operations, and any material payment delays or defaults by the customers may negatively affect the business, financial position and results of operations.

- Most of the agreements with the Group's contracted artistes will expire during 2025 to 2029, any failure to renew their contracts will materially affect the performance and operations.

- Any unauthorised use of the brand names or any other intellectual property rights by the competitors or third parties, and the expenses incurred in protecting such intellectual property rights, may adversely affect the business reputation and financial performance.

- The organisation of events involves risks that may result in accidents, which in turn may have a material adverse effect on the financial conditions and results of operations.

- The Group relies on analysing system from social media platforms to analyse the performance and to plan for the advertising strategies, any failure or malfunction of the system will affect the performance and operations.

- The Group may experience breakdowns in the IT systems that could damage the customer relations and expose the Group to liability.

- If the Group experiences information and technological system failures, the business operations could be significantly disrupted.

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

REPORT OF THE DIRECTORS

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 136 of this annual report. This summary does not form part of the consolidated financial statements.

SUBSIDIARIES

Details (including the principal activities) of the Company's principal subsidiaries as at 31 March 2025 are set out in note 14 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the Year are set out in note 11 to the consolidated financial statements.

DONATIONS

No donation was made by the Group during the Year. (2024: Nil).

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 March 2025, the Company's distributable reserves available for distribution to shareholders in accordance with statutory provision applicable in the Cayman Islands is approximately HK$24.2 million (2024: HK$24.6 million).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders unless otherwise required by the Stock Exchange.

SHARE CAPITAL AND EQUITY-LINKED AGREEMENT

Details of the movements in share capital of the Company during the Year are set out in note 20 to the consolidated financial statements. Please also refer to "Capital Structure" in the "Management Discussion and Analysis" of this annual report.

The Company did not enter into any equity-linked agreement during the Year.

DIRECTORS

During the Year and thereafter up to the date of this annual report, the Directors are named as follows:

Executive Directors

Iu Kar Ho *(Chairman)*
Luk Ka Chun
Leung Hoi Yui (appointed on 12 November 2024)

Independent non-executive Directors

Leung Wai Man
Ho Kwong Yu
Leung Ting Yuk

Pursuant to article 16.18 of the Articles, at every annual general meeting of the Company 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) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

Pursuant to Article 16.2 of the Article of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on or as an addition to the Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his/her appointment and shall then be eligible for re-election at that meeting.

Accordingly, Mr. Luk Ka Chun, Ms. Leung Hoi Yui and Mr. Ho Kwong Yu will retire by rotation pursuant to article 16.2 and 16.18 of the Articles, and being eligible, will offer themselves for re-election as Directors at the forthcoming AGM.

During the year and up to the date of this report, Mr. Iu Kar Ho and Mr. Luk Ka Chun are also directors in the subsidiaries of the Company incorporated in Hong Kong.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual written confirmation of independence pursuant to Rule 3.13 of the Listing Rules as at the date of this annual report and considered all the independent non-executive Directors to be independent.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out on pages 11 to 14 of this annual report.

DIRECTORS' SERVICE CONTRACTS

Two executive Directors, Mr. Iu Kar Ho and Mr. Luk Ka Chun have signed a service contract with the Company for a term of three years, commencing from 28 March 2024 (subject to termination in certain circumstances as stipulated in the relevant service contact).

Executive Director, Ms. Leung Hoi Yui has signed a service contract with the Company for a term of three years, commencing from 12 November 2024 (subject to termination in certain circumstances as stipulated in the relevant service contact).

Each of the independent non-executive Directors has signed a letter of appointment with the Company for a term of three years, commencing from 28 March 2024 (subject to termination in certain circumstances as stipulated in the relevant letter of appointment).

None of the Directors who are proposed for re-election at the forthcoming AGM has a service contract or letter of appointment with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 27(b) to the financial statements, no transactions, arrangements and contracts of significance in relation to the business of the Group to which the Company, or its holding company, or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year, nor was there any transaction, arrangement or contract of significance for the provision of services to the Company or any of its subsidiaries by a Controlling Shareholder or any of its subsidiaries for the Year. There was also no contract of significance between the Company or one of the subsidiaries and the Controlling Shareholders or any of their subsidiaries.

MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries was entered into or existed during the Year with any person who is not a Director or any person engaged in the full-time employment of the Company.

DIRECTORS' EMOLUMENTS

Details of the remuneration of the Directors on a named basis during the Year are set out in note 29(a) to the consolidated financial statements. During the Year, no emoluments were paid by the Group to any Director as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors has waived any emoluments during the Year.

EMOLUMENT POLICY

Under the emolument policy of the Company, the Remuneration Committee will consider factors such as salaries paid by comparable companies, time commitment, responsibilities and performance of the Directors and senior management, as the case may be, in assessing the amount of remuneration payable to the Directors and members of the senior management. The Remuneration Committee will periodically review the compensation levels of the key executives. Based on the performance and the executives' respective contribution to the Group, the Remuneration Committee may, within the aggregate remuneration amount having been approved in a shareholders' meeting, make recommendations to the Board as to salary increases or payment of discretionary bonuses.

The Company provides a comprehensive benefit package for all employees as well as career development opportunities. This includes retirement schemes, medical insurance, other insurances, in-house training, on-the-job training, external seminars and programs organised by professional bodies and educational institutions.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles, the Directors shall be indemnified out of the assets of the Company against any liability, loss or expenditure incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a Director.

During the Year, appropriate insurance policies that covered directors' and officers' liabilities and such permitted indemnity provision were in force to protect the Directors and officers of the Group from their risk exposure arising from the business of the Group.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATIONS

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 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 the Model Code contained in Appendix C3 of the Listing Rules, were as follows:

Name of Directors	Nature of interest	Number of Shares held *(Note 1)*	Percentage of shareholding in the Company's issued share capital
Mr. Iu Kar Ho ("Mr. Iu")	Interest in a controlled corporation	175,500,000 (L) *(Note 2)*	65.0%
	A concert party to an agreement to buy shares described in S.317(1)(a)	6,750,000 (L) *(Note 3)*	2.5%
Mr. Luk Ka Chun ("Mr. Luk")	Interest in a controlled corporation	175,500,000 (L) *(Note 2)*	65.0%
	A concert party to an agreement to buy shares described in S.317(1)(a)	6,750,000 (L) *(Note 3)*	2.5%
Ms. Leung Hoi Yui ("Ms. Leung")	Beneficial owner	1,687,500 (L)	0.6%
	A concert party to an agreement to buy shares described in S.317(1)(a)	180,562,500 (L) *(Note 3)*	66.9%

Notes:

(1) The letter "L" denotes a long position in the Shares.

(2) These shares are held by Blackpaper Limited ("Blackpaper BVI"). Blackpaper BVI is legally and beneficially owned as to 50% and 50% by Mr. Iu and Mr. Luk, respectively. Hence, each of Mr. Iu and Mr. Luk is deemed to be interested in the 175,500,000 Shares held by Blackpaper BVI under the SFO.

(3) On 25 January 2022, Blackpaper BVI transferred 6,750,000 shares in total ("the said Shares") to Ms. Leung, Mr. Chui Cheung Lam, Mr. Yuen Kam Shing and Mr. Wong Kar Wai (collectively, the "Staff"). Pursuant to the deed of concert parties dated 25 January 2022 entered into among Blackpaper BVI, Mr. Iu, Mr. Luk and the Staff, each of the Staff has undertaken to act in concert with Blackpaper BVI, Mr. Iu and Mr. Luk as one party in casting votes on all matters of the Company so long as he/she remains interested in all or any of the said Shares.

Save as disclosed above, as at 31 March 2025, none of the Directors nor chief executive of the Company has registered any interest and short position 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 the Model Code.

DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as disclosed under the paragraphs headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any specified undertaking of the Company or any other associated corporations" above, at no time during the Year were any rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or the chief executive of the Company or any of their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS OF THE COMPANY AND OTHER PERSONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATIONS

So far as the Directors are aware, as at 31 March 2025, the following persons (not being Directors or chief executive of the Company) have or are deemed or taken to have an interest or short position in the Shares or the underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO:

Name of shareholders	Nature of interests	Number of Shares held *(Note 1)*	Percentage of shareholding in the Company's issued share capital
Blackpaper BVI	Beneficial owner	175,500,000 (L) *(Note 2)*	65.0%
	A concert party to an agreement to buy shares described in S.317(1)(a)	6,750,000 (L) *(Note 5)*	2.5%
Ms. Chan Mavis Pak Ling	Interest of spouse	182,250,000 (L) *(Note 3)*	67.5%
Ms. Chan Christine Kar-hey	Interest of spouse	182,250,000 (L) *(Note 4)*	67.5%
Mr. Chui Cheung Lam	Beneficial owner	1,687,500 (L)	0.6%
	A concert party to an agreement to buy shares described in S.317(1)(a)	180,562,500 (L) *(Note 5)*	66.9%
Mr. Wong Kar Wai	Beneficial owner	1,687,500 (L)	0.6%
	A concert party to an agreement to buy shares described in S.317(1)(a)	180,562,500 (L) *(Note 5)*	66.9%
Mr. Yuen Kam Shing	Beneficial owner	1,687,500 (L)	0.6%
	A concert party to an agreement to buy shares described in S.317(1)(a)	180,562,500 (L) *(Note 5)*	66.9%
Mr. Lui Yu Kin	Beneficial owner	484,000 (L)	0.18%
	Interest of controlled corporation	15,744,000 (L) *(Note 6)*	5.83%

Notes:

(1) The letter "L" denotes a long position in the Shares.

(2) Blackpaper BVI is legally and beneficially owned as to 50% and 50% by Mr. Iu and Mr. Luk, respectively. Hence, each of Mr. Iu and Mr. Luk is deemed to be interested in the 175,500,000 Shares held by Blackpaper BVI under the SFO.

(3) Ms. Chan Mavis Pak Ling is the spouse of Mr. Iu and is therefore deemed to be interested in the same number of Shares in which Mr. Iu is interested under the SFO.

(4) Ms. Chan Christine Kar-hey is the spouse of Mr. Luk and is therefore deemed to be interested in the same number of Shares in which Mr. Luk is interested under the SFO.

(5) On 25 January 2022, Blackpaper BVI transferred 6,750,000 shares in total ("the said Shares") to Ms. Leung, Mr. Chui Cheung Lam, Mr. Yuen Kam Shing and Mr. Wong Kar Wai (collectively, the "Staff"). Pursuant to the deed of concert parties dated 25 January 2022 entered into among Blackpaper BVI, Mr. Iu, Mr. Luk and the Staff, each of the Staff has undertaken to act in concert with Blackpaper BVI, Mr. Iu and Mr. Luk as one party in casting votes on all matters of the Company so long as he/she remains interested in all or any of the said Shares.

(6) These 15,744,000 shares were beneficially owned by Rich Rise Management Limited, a company wholly-owned by Mr. Lui Yu Kin.

Save as disclosed above, as at 31 March 2025, the Directors were not aware of any other persons who had any interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO, and/or who are directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

SHAREHOLDERS' INTERESTS IN SECURITIES OF SIGNIFICANCE

Other than the interests disclosed above in respect of the substantial shareholders, as at 31 March 2025, no other person is individually or collectively entitled to exercise or control the exercise of 5% or more of the voting power at the general meetings of the Company and are able, as a practicable manner, to direct or influence the management of the Company.

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of revenue for the Year generated from the Group's major customers is as follows:

— The largest customer	3%
— Five largest customers	13%

The total revenue of the Group from the five largest customers for the Year did not exceed 30%.

The percentage of purchases for the Year attributable to the Group's major suppliers is as follows:

— The largest supplier	9%
— Five largest suppliers	18%

The total purchases of the Group from the five largest suppliers did not exceed 30%.

None of the Directors, their close associates (as defined in the Listing Rules) or any shareholder (which to the knowledge of the Directors, owns more than 5% of the Company's issued share capital) had any beneficial interest in any of the Group's five largest customers or its five largest suppliers for the Year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including treasury shares). As of 31 March 2025, the Company did not have any treasury shares.

COMPETING INTERESTS

During the Year and up to the date of this annual report, none of the Directors or the Controlling Shareholders or substantial shareholders (as defined in the Listing Rules) of the Company or their respective close associates (as defined in the Listing Rules) were considered to have any interests in a business which competed or was likely to compete, either directly or indirectly, with the business of the Group and/or caused, or was likely to cause any other conflicts of interest with the Group.

REPORT OF THE DIRECTORS

NON-COMPETITION UNDERTAKING

The Company confirms that the deed of non-competition (the "Deed") of each of Blackpaper BVI, Mr. Iu and Mr. Luk, details of which were set out in the Prospectus, has been fully complied with and enforced since the Listing Date and up to 31 March 2025. The Company has obtained (i) an annual written confirmation from each of the Controlling Shareholders in relation to their compliance with the terms of the Deed during the Year; and (ii) the consent (from each of the Controlling Shareholders) to refer to the said confirmation. The independent non-executive Directors have reviewed the undertakings under the Deed and evaluated the effective implementation of the Deed during the Year. The Board also confirms that there are no other matters in relation to the aforesaid undertaking which should be brought to the attention of the shareholders and the potential investors of the Group.

SHARE OPTION SCHEME

The following is a summary of the principal terms of the share option scheme conditionally approved and adopted in compliance with Chapter 17 of the Listing Rules by the written resolutions of all the then shareholders of the Company passed on 2 March 2018 (the "Share Option Scheme"). The following summary does not form, nor is intended to be, part of the Share Option Scheme, nor should it be taken as affecting the interpretation of the rules of the Share Option Scheme.

As at 31 March 2025, no share option was granted, exercised, lapsed or cancelled under the Share Option Scheme of the Company.

(a) Purpose

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 believe the Share Option Scheme will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. Given that the Directors are entitled to determine the performance targets to be achieved as well as the minimum period that an option must be held before an option can be exercised on a case by case basis, and that the exercise price of an option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the options granted.

(b) Who may join

The Directors (which expression shall, for the purpose of this paragraph, include a duly authorised committee thereof) may, at their absolute discretion, invite any person belonging to any of the following classes of participants, who the Board considers, in its sole discretion, have contributed or will contribute to the Group, to take up options to subscribe for Shares (collectively the "Eligible Participants"):

(i) any directors (including executive Directors, non-executive Directors and independent non-executive Directors) and employees of any member of the Group; and

(ii) any advisers, consultants, distributors, contractors, customers, suppliers, agents, business partners, joint venture business partners, service providers of any member of the Group.

For the purposes of the Share Option Scheme, the options may be granted to any company wholly owned by one or more persons belonging to any of the above classes of participants. For the avoidance of doubt, the grant of any options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of participants shall not, by itself, unless the Directors otherwise so determine, be construed as a grant of option under the Share Option Scheme.

The eligibility of any of the above class of participants to the grant of any option shall be determined by the Directors from time to time on the basis of the Directors' opinion as to the participant's contribution to the development and growth of the Group.

(c) Maximum number of Shares

(i) The maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Group shall not in aggregate exceed 30% of the issued share capital of the Company from time to time.

(ii) The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group shall not in aggregate exceed 10% of the aggregate of the Shares in issue on the day on which trading of the Shares commences on the Stock Exchange, and such 10% limit represents 27,000,000 Shares (the "General Scheme Limit").

(iii) Subject to paragraph (i) above and without prejudice to paragraph (iv) below, the Company may issue a circular to its shareholders and seek approval of its shareholders in a general meeting to extend the General Scheme Limit provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share options scheme of the Group shall not exceed 10% of the Shares in issue as of the date of approval of the limit and, for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option scheme of the Group) previously granted under the Share Option Scheme and any other share option scheme of the Group will not be counted. The circular sent by the Company to its shareholders shall contain, among other information, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

(iv) Subject to paragraph (i) above and without prejudice to paragraph (iii) above, the Company may seek separate shareholders' approval in a general meeting to grant options beyond the General Scheme Limit or, if applicable, the extended limit referred to in paragraph (iii) above to participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to its shareholders containing a general description of the identified participants, the number and terms of options to be granted, the purpose of granting options to the identified participants with an explanation as to how the terms of the options serve such purpose and all other information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

At the beginning and at the end of the year ended 31 March 2025, 27,000,000 share options were available for grant under the Share Option Scheme. The total number of shares available for issue under the Share Option Scheme was 27,000,000, representing 10% of the issued share capital of the Company (excluding treasury shares, if any) as at the date of this annual report.

(d) Maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of the options granted and to be granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised and outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being (the "Individual Limit"). Any further grant of options to a participant in aggregate in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to the shareholders and the shareholders' approval in general meeting of the Company with such participant and his close associates abstaining from voting. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before shareholders' approval and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under Note (1) to Rule 17.03(9) of the Listing Rules.

(e) Grant of options to connected persons

(i) Any grant of options under the Share Option Scheme to any Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed grantee of the options).

(ii) Where any grant of options to a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

(1) representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the Shares in issue; and

(2) having an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of each grant, in excess of HK$5 million (or such other higher amount as may from time to time be specified by the Stock Exchange);

such further grant of options must be approved by the shareholders in a general meeting. The Company must send a circular to its shareholders no later than the date on which the Company gives notice of the general meeting to approve the Share Option Scheme. The grantees, their associates and all core connected persons of the Company must abstain from voting at such general meeting, except that they may vote against the relevant resolution at the general meeting provided that any of their intention to do so has been stated in the circular to be sent to the shareholders in connection therewith. Any vote taken at the general meeting to approve the grant of such options must be taken on a poll. Any change in the terms of options granted to a substantial shareholder or an independent non-executive Director or any of their respective associates must be approved by the shareholders in a general meeting.

(f) Time of acceptance and exercise of option

An option may be accepted by a participant to whom the offer is made within 5 business days from the date on which the letter containing the offer is delivered to that participant. 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 a day after the date upon which the offer for the grant of options is made but shall end in any event not later than ten years from the date of grant of the option subject to the provisions for early termination under the Share Option Scheme. Unless otherwise determined by the Directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

(g) Subscription price for Shares and consideration for the option

The subscription price per Share under the Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the offer of grant (provided that in the event that any option is proposed to be granted within a period of less than five business days after the trading of the Shares first commences on the Stock Exchange, the new issue price of the Shares for the Share Offer shall be used as the closing price for any business day falling within the period before listing of the Shares on the Stock Exchange); and (iii) the nominal value of a Share on the date of grant. A nominal consideration of HK$1 is payable upon acceptance of the grant of an option.

(h) **Period of the Share Option Scheme**

The Share Option Scheme will remain in force for a period of ten years commencing on the date on which the Share Option Scheme is adopted. No share options were granted since the adoption of the Share Option Scheme and there are no outstanding share options at the end of the Year. As at the date of this report, the remaining life of the Share Option Scheme is approximately 2 years and 8 months (expiring on 1 March 2028).

AUDIT COMMITTEE REVIEW

The audited consolidated financial statements of the Group for the Year have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Listing Rules and legal requirements, and adequate disclosures have been made.

CONNECTED TRANSACTIONS AND RELATED PARTY TRANSACTIONS

During the Year, the Group had entered into certain related party transactions as set out in note 27 to the consolidated financial statements, some of which constituted fully-exempt continuing connected transactions and not subject to the reporting, annual review, announcement and independent shareholders' approval under Chapter 14A of the Listing Rules. The Company has complied with the requirements in accordance with Chapter 14A of the Listing Rules (where applicable).

SUFFICIENCY OF PUBLIC FLOAT

From the information publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital is held by the public at all times during the Year and up to the date of this annual report.

TAX RELIEF

The Company is not aware of any relief from taxation to which the shareholders are entitled by reason of their holding of the Shares.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to implementing good corporate governance practices. Information on the principal corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 15 to 29 of this annual report.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and that the risks of non-compliance with such requirements. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Group has complied with all relevant laws and regulations in Hong Kong in all material respects during the Year.

The Group also complies with the requirements under the Listing Rules and the SFO for the disclosure of information and corporate governance.

REPORT OF THE DIRECTORS

ENVIRONMENTAL POLICY

Due to the business nature of the Group, no pollutant is produced, emitted or discharged during the course of provision of print, digital and other media services. The Group recognises its responsibility to protect the environment. As such, the Group has taken measures to facilitate the environmental-friendliness of our workplace by encouraging a recycling culture within the Group. For further details on the Group's environmental measures and performance, please refer to the Group's ESG report on pages 43 to 72 of this annual report.

RELATIONSHIPS WITH STAKEHOLDERS

The Group recognises employees as one of the valuable assets of the Group and the Group strictly complies with the labour laws and regulations in Hong Kong and regularly reviews the existing staff benefits for improvement. The Group provides good quality services to the customers and maintains a good relationship with them. The Group is able to establish trusting and long-standing business relationships with the major customers. The Group also maintains effective communication and develops long-term and stable relationships with its suppliers. During the Year, there was no material dispute or disagreement between the Group and its customers or suppliers.

THE FORTHCOMING ANNUAL GENERAL MEETING

The forthcoming AGM of the Company will be held at Hotel Ease Tsuen Wan, Meeting Room, 2/F, 15–19 Chun Pin Street, Kwai Chung, Hong Kong on Tuesday, 19 August 2025 at 3:00 p.m. and the notice convening such meeting will be published and despatched to the shareholders in the manner as required by the Listing Rules in due course.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There was no significant events affecting the Group after the Year and up to the date of this report.

INDEPENDENT AUDITOR

The consolidated financial statements for the Year have been audited by Baker Tilly, who will retire and, being eligible, offer itself for re-appointment at the forthcoming AGM of the Company.

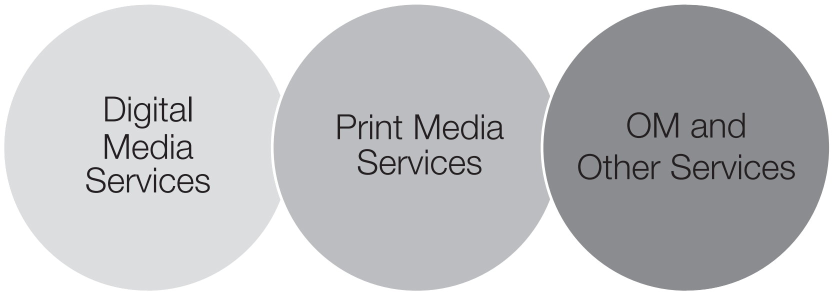
On behalf of the Board

Iu Kar Ho
Chairman and executive Director
Hong Kong, 26 June 2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

INTRODUCTION

Most Kwai Chung Limited (the "Company" together with its subsidiaries, the "Group") is one of the leading advertising and creative multimedia service providers in Hong Kong. The Group is engaged in the provision of the following integrated advertising and media services:



Digital Media Services

Digital media services represent the provision of media management services and one-stop advertising solution packages under which the deliverables to customers are distributed on digital media platforms managed by the Group, third parties' TV channels, the Internet and physical advertising spaces, subject to the needs of the customers.

Print Media Services

Print media services represent the sale of books published by the Group.

OM and Other Services

OM and other services represent innovative trend business and other professional services income represent income generated from (i) displaying customers' advertisements and promoting their brands in events organised by the Group; (ii) sale of tickets for these events and merchandise; (iii) artistes management business, under which the Group's contracted artistes appear in advertisements produced and events organised by the Group, as well as for third party customers; and (iv) matching, dating and marriage consultancy income.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

CHAIRMAN'S STATEMENT

Dear Shareholders and Stakeholders,

I am pleased to present the annual ESG report for Most Kwai Chung Limited, covering the year ended 31 March 2025. As Chairman of the Board, I am proud to share our progress and achievements in integrating sustainable practices into our operations and our commitment to creating long-term value for all stakeholders.

Environmental Responsibility

Over the past year, we have intensified our efforts on reducing our environmental footprint, in view of an urgent need to address environmental challenges facing our planet. We have optimised operations to minimise energy consumption and greenhouse gas emissions. Our commitment to environmental responsibility extends into our value chain, where we have collaborated with partners and customers to promote sustainable practices.

Employee Well-being

We believe that our success is closely tied to the well-being and prosperity of the communities in which we operate. In the past year, we have focused on fostering a diverse, inclusive, and safe work environment for our employees. We have implemented robust diversity and inclusion initiatives, ensuring equal opportunities for all employees and promoting a culture of respect and empowerment.

Social Impact

Being a content creator and a trendsetter among the young generation, we have made use of our influence to encourage meaningful interactions among the youth. We spread their concerns on important social issues, and help create a responsive platform to reflect their voices, experiences, and aspirations. These efforts will engage the young population, and foster their confidence and inclusiveness.

Governance Excellence

Sound governance practices are the foundation of a successful and sustainable business. We are committed to upholding high standards of corporate governance, transparency, and integrity. Our Board continues to provide strategic guidance and oversight to ensure effective risk management and compliance with applicable laws and regulations. We have implemented rigorous internal controls and fostered a culture of accountability and ethical conduct throughout our organisation. We actively engage with our shareholders, seeking their feedback to shape our governance practices and align our interests with theirs.

Digital Responsibility

As a multimedia company operating in the digital age, we recognise the importance of responsible digital practices. We are committed to safeguarding user privacy, protecting personal data, and promoting online safety. We have implemented robust data protection measures, adhering to applicable data privacy regulations. Furthermore, we have developed guidelines for responsible content creation and distribution, ensuring the accuracy, fairness, and ethical standards of our media offerings.

Future Outlook

While we are proud of our accomplishments, we acknowledge that there is still much work to be done. We remain steadfast in our commitment to continuous improvement and setting ambitious sustainability goals. We will further integrate ESG considerations into our decision-making processes, exploring opportunities to innovate and develop sustainable business models. We will actively engage with stakeholders, fostering dialogue and collaboration to address shared challenges and create positive change.

In conclusion, I extend my gratitude to our employees, customers, partners, and shareholders for their unwavering support and trust. Together, we will navigate the evolving landscape and contribute to a sustainable future.

Yours sincerely,
Iu Kar Ho
Chairman and Executive Director

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SUSTAINABILITY GOVERNANCE

The Board's Responsibilities

The Board has ultimate responsibility for overseeing the Group's ESG matters, including its ESG approaches, strategies and policies. To better manage the Group's ESG performance and identify potential risks, the Board uses materiality assessments to prioritise material issues based on their impact on the Group's stakeholders and business. With the assistance of the Environmental, Social and Governance Working Group (the "ESG Working Group"), stakeholder opinions are collected and analysed via materiality surveys.

With reference to the above assessment, the Board sets the general direction and targets on ESG performance. It uses the data collected by the ESG Working Group to evaluate performance and keep track of the achievement of its ESG targets. The Board also makes a continuous effort to monitor the effectiveness of the Group's risk management and internal control mechanisms.

The Board affirms that it has established appropriate and effective management policies and internal control systems for ESG issues and confirms that the disclosed contents are in compliance with the requirements of laws and regulations.

The ESG Working Group's Responsibilities

The ESG Working Group is authorised by the Board to carry out all day-to-day work related to the implementation of ESG practices and facilitates the Board's oversight of ESG matters. The ESG Working Group comprises senior management and general staff from different business units of the Group. The members of the ESG Working Group meet regularly to address the Group's ESG issues, such as environmental protection, resource management, and labour practices. Their main responsibilities include collecting and analysing ESG data, evaluating the Group's ESG performance, giving suggestions to the Board, implementing plans and measures, and ensuring compliance with ESG related laws and regulations.

The Group has established a quantitative ESG performance management mechanism that uses key performance indicators ("KPIs") to review the Group's progress on ESG targets. The ESG Working Group keeps track of the Group's KPIs and reports periodically to the Board. It strives to provide adequate information for the Board to identify ESG risks, assess the effectiveness of internal control, and improve ESG performance.

SCOPE OF REPORTING

The reporting scope of this ESG Report is consistent with that of the year ended 31 March 2024 ("2024") except for the new inclusion of the businesses in matching, dating, and marriage consultancy services and live action role-playing game. The Group's principal operations are in Hong Kong. This ESG Report encompasses all of the Group's Hong Kong business units that contribute to majority of its revenue and are under its direct operational control throughout the Reporting Period. The data presented in this ESG Report are collected from the Group's Hong Kong offices. In the event of any changes in operational circumstances, the Group will evaluate and extend the scope of disclosure as appropriate.

Reporting Period

This ESG Report details the Group's ESG initiatives, measures, and performance for the period from 1 April 2024 to 31 March 2025 (the "Reporting Period").

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

REPORTING FRAMEWORK

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide ("ESG Reporting Guide") as set out in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

During the preparation for this ESG Report, the Group has applied the reporting principles as stipulated in the ESG Reporting Guide:

Materiality:	A materiality assessment was conducted to identify material issues, thereby adopting the confirmed material issues as the focus for the preparation of the ESG Report. The materiality of issues was reviewed and confirmed by the Board and the ESG Working Group. Please refer to the sections headed "Stakeholder Engagement" and "Materiality Assessment" for further details.
Quantitative:	Supplementary notes are added along with quantitative data disclosed in the ESG Report to explain any standards, methodologies, and sources of conversion factors used during the calculation of emissions and energy consumption.
Consistency:	The preparation approach of this ESG Report was substantially consistent with the previous years, and explanations were provided regarding data with changes in the scope of disclosure and calculation methodologies.
Balance:	The ESG Report impartially describes the Group's performance during the Reporting Period to avoid any improper influence on the decisions or judgements of ESG Report readers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDER ENGAGEMENT

The Group values feedback from its stakeholders as it brings invaluable guidance for the continuous development of the Group. It takes stakeholders' expectations into consideration while formulating its business and ESG strategies.

The Group has established communication channels with its key stakeholders, including but not limited to shareholders and investors, customers and business partners, employees, suppliers, regulatory bodies and government authorities, as well as media, non-governmental organisations ("NGOs") and the public. The key engagement channels and stakeholder expectations are outlined below:

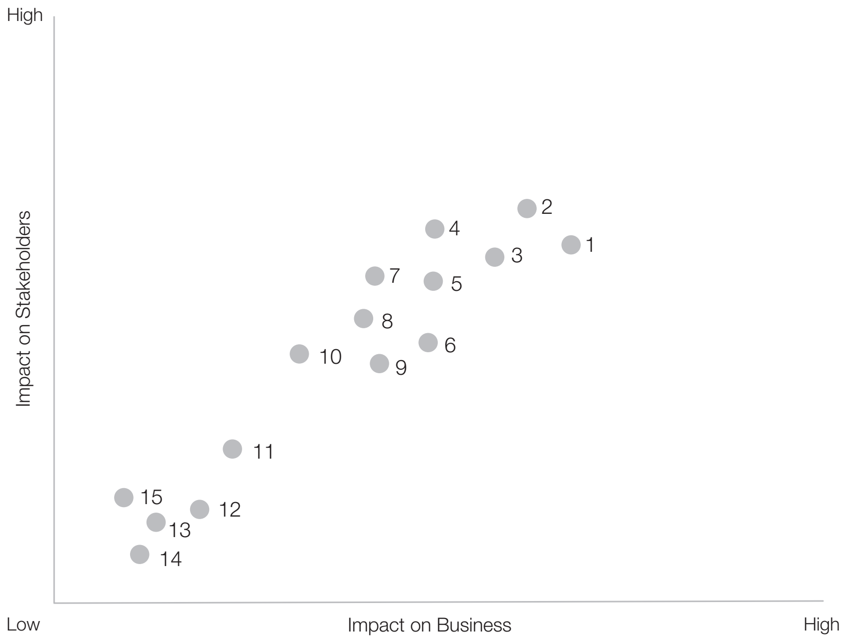
Stakeholders	Key Engagement Channels	Expectations and Concerns
Shareholders and investors	• Annual General Meetings and other shareholder meetings • Financial reports • Announcements and circulars • Official website	• Shareholders' rights and interests • Financial performance • Corporate governance • Accurate, complete and timely information disclosure
Customers and business partners	• Customer satisfaction surveys • Customer service team • Official website • Social media platforms	• User satisfaction • Privacy protection • Compliant operation
Employees	• Employee opinion surveys • Channels for employee feedback (forms, suggestion box, etc.) • Regular performance reviews • Staff seminars	• Remuneration and benefits • Career development • Fair working environment
Suppliers	• Supplier management meetings and events	• Fair and open procurement • Stable relationship
Regulatory bodies and government authorities	• Email and telephone communications	• Regulatory compliance • Corporate governance
Media, NGOs and the public	• Social media platforms • Official website • ESG Reports • Community investment programme	• Contribution to society • Accurate, complete and timely information disclosure • Compliant operations

The Group aims to strengthen communication and collaborate with its stakeholders to improve its ESG performance and create greater value for the wider community on an ongoing basis.

MATERIALITY ASSESSMENT

Throughout the stakeholder engagement exercise, the Group has compiled a questionnaire to identify its major ESG issues, and assessed the importance of these issues with respect to its business and stakeholders. The results are illustrated in the matrix below. The Group has reviewed the results and considered that the results are applicable to the Group. The Group will continue to monitor these major issues and their impact on its business and stakeholders.

Materiality Matrix



Key ESG Issues

1. Customer satisfaction
2. Anti-corruption
3. Occupational health and safety
4. Development and training
5. Data privacy protection
6. Technology and innovation
7. Protection of intellectual property rights
8. Employment practices
9. Community participation
10. Supply chain management
11. Prevention of child and forced labour
12. Energy efficiency
13. Greenhouse gas emissions
14. Waste management
15. Climate change

CONTACT US

The Group welcomes stakeholders' opinions and suggestions. You can provide valuable input related to this ESG Report or the Group's performances on sustainable development by sending an email to ir@mostkwaichung.com.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A. ENVIRONMENTAL

The Group strives to provide entertainment and advertising solutions sustainably. The Group has incorporated ESG considerations in its business decisions and has taken corresponding measures in its day-to-day operations. The Group focuses on three core areas for carbon reduction: optimisation of energy usage, resource conservation, and waste reduction. It has well-defined targets in these areas and will seek to continuously reduce carbon in its major operations. Since the Group is principally engaged in the provision of entertainment and advertising solutions, it will focus its efforts on decarbonise its video, advertorial and content production. Moreover, the Group has applied the waste management principle of "Reduce, Reuse, Recycle and Replace" ("4Rs") to ensure wastes generated from its operations are disposed of in an environmentally responsible manner.

A1. Emissions

Due to the Group's business nature, its daily operations do not impose a significant impact on the environment. Its emissions are limited to greenhouse gas emissions ("GHG emissions") from electricity consumption at its Hong Kong operating locations. To reduce the GHG emissions, the Group has adopted and implemented an ESG Policy, and implemented various emission reduction measures to ensure that its emissions meet the national standards and fulfil its continuous commitment to environmental protection. The relevant measures are detailed in the section on "GHG Emissions" below.

During the Reporting Period, the Group was not aware of any material non-compliance with the relevant environmental laws and regulations in Hong Kong in relation to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that might have a significant impact on the Group. The relevant laws and regulations include, but are not limited to, the Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong).

GHG Emissions

Since the Group does not own any vehicle or equipment that results in direct fuel consumption, and is not engaged in any activities that result in direct GHG emissions, its GHG emissions come only from electricity consumption. The Group has adopted energy-saving measures and other initiatives to reduce its electricity usage. These measures are further described in the section headed "Energy Consumption" in A2. Use of Resources.

Area	Target	Progress
GHG Emissions	Reduce or maintain GHG emissions intensity during the Reporting Period using 2024 as the baseline year	Not achieved — inclusion of the live action role-playing game business in the reporting scope resulted in GHG emissions increasing to a greater extent than that of the number of new employees

The Group has previously set a target of reducing or maintaining the GHG emissions intensity during the Reporting Period using 2024 as the baseline year for comparison. During the Reporting Period, the Group's GHG emissions intensity has increased due to inclusion of the live action role-playing game business in the reporting scope. The GHG emissions increased to a greater extent than that of the number of new employees, resulting in an increase in GHG emissions intensity. Without accounting for such new business, the Group noted a slight decrease in GHG emissions intensity during the Reporting Period.

A summary of GHG emissions performance of the Group is as follows:

Indicators	Unit	2025	2024
Direct GHG Emissions (Scope 1)	tCO_2e	**–**	–
Energy Indirect GHG Emissions (Scope 2)	tCO_2e	**55.40**	36.14
Total GHG Emissions (Scope 1 and 2)	tCO_2e	**55.40**	36.14
Intensity	tCO_2e/employee	**0.62**	0.45

Notes:

1. GHG emissions data are presented in terms of carbon dioxide equivalent and are based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, the "Global Warming Potential Values" from the IPCC Fifth Assessment Report, 2014 (AR5) and the "2024 Sustainability Report" published by the CLP Holdings Limited.

2. As of 31 March 2025, the total number of employees of the Group was 90 (31 March 2024: 81). This data is also used in the calculation of other intensity data.

In view of business expansion, the Group has renewed its target to reduce or maintain the GHG emissions intensity for the year ending 31 March 2026 ("2026") using the Reporting Period as the baseline year for comparison.

Waste Management

Hazardous Waste Handling Method

Although the Group has not generated any hazardous waste during the Reporting Period, the Group has established guidelines in governing the management and disposal of hazardous waste. If any hazardous waste is generated, the Group must engage a qualified hazardous waste collector to handle such waste. The practice complies with the relevant environmental laws and regulations.

Non-hazardous Waste Handling Method

As mentioned above, the Group has applied the 4R waste management principle to ensure waste generated from its operations is disposed of in an environmentally-responsible manner. The Group has implemented relevant measures to handle such waste and has launched different reduction initiatives.

Area	Target	Progress
Waste Generation	Reduce or maintain non-hazardous waste intensity during the Reporting Period using 2024 as the baseline year	Achieved

The Group has previously set a target of reducing or maintaining the non-hazardous waste intensity during the Reporting Period using 2024 as the baseline year for comparison. The Group's non-hazardous waste was mainly office paper. Its non-hazardous waste intensity has decreased when compared to that of the last year. This is attributable to the Group's efforts on reduction of printing and the use of paper in the office.

A summary of non-hazardous waste performance of the Group is as follows:

Type of Non-hazardous Waste	Unit	2025	2024
Office Paper	tonnes	**0.28**	0.66
Total Non-hazardous Waste	tonnes	**0.28**	0.66
Intensity	tonnes/employee	**0.003**	0.008

The Group has assigned administrative staff who take responsibility of waste management collectively. They have implemented the waste reduction measures below:

- Make use of electronic means for communication where possible, and send electronic cards and brochures to customers;
- Encourage the use of recycled paper, toner and environmentally-friendly materials;
- Use multi-function printers that enable printing, scanning and copying in a single device, and share the printers among different departments to reduce power consumption and the need for maintenance;
- Redeploy office furniture within the Group where it is possible to reduce the amount of waste being sent to landfills;
- Sort recyclable waste in respective recycling bins, and educate employees on sorting methods if needed; and
- Display appropriate signages to remind employees of the types of waste that are recyclable.

On achievement of its target, the Group has renewed its target to reduce or maintain the non-hazardous waste intensity in 2026 using the Reporting Period as the baseline year for comparison.

Wastewater Discharge

Due to the Group’s business nature, its wastewater discharge is mainly from the use of water at its offices. The Group’s water consumption amount is within a normal range, when considered relative to the scale of its business. The Group has not discharged hazardous pollutants into water or land during the Reporting Period. The majority of the water supply and discharge facilities are provided and managed by the property management company. Wastewater is then discharged into the municipal sewage network for processing. The Group has adopted water-saving measures and other initiatives to reduce its water consumption. These measures are further described in the section headed “Water Consumption” in A2 Use of Resources.

A2. Use of Resources

The Group has formulated an ESG Policy, which underpins the Group’s commitment to optimising the use of resources. During operations, electricity and water are frequently consumed. The Group has established procedures to govern the use of these resources with an aim to achieve higher energy and water efficiency.

Energy Consumption

By establishing an energy management system, the Group develops and regularly reviews its energy objectives and targets to continuously assess the Group's energy performance. Unexpectedly high consumption of electricity will be detected and investigated, and preventive measures will be taken.

Area	Target	Progress
Energy Consumption	Reduce or maintain energy consumption intensity during the Reporting Period using 2024 as the baseline year	Not achieved — inclusion of the live action role-playing game business in the reporting scope resulted in energy consumption increasing to a greater extent than that of the number of new employees

The Group has previously set a target of reducing or maintaining the energy consumption intensity during the Reporting Period using 2024 as the baseline year for comparison. Purchased electricity is the major type of energy consumption by the Group. During the Reporting Period, the Group's electricity consumption has increased due to inclusion of the live action role-playing game business in the reporting scope. Its electricity consumption increased to a greater extent than that of the number of new employees for that business, resulting in an increase in energy consumption intensity.

A summary of energy consumption performance of the Group is as follows:

Types of Energy	Unit	2025	2024
Direct Energy Consumption	kWh	**–**	–
Indirect Energy Consumption			
— Purchased electricity	kWh	**145,790.00**	92,662.00
Total Energy Consumption	kWh	**145,790.00**	92,662.00
Intensity	kWh/employee	**1,619.89**	1,143.98

The Group has implemented the energy-saving measures below:

- Use LED lighting to replace energy-inefficient light bulbs in phases;
- Install more energy-efficient office equipment in the workplace;
- Display green messages on the information portal and message board to remind colleagues to save energy; and
- Encourage employees to participate in campaigns or activities related to the promotion of a green environment.

In view of business expansion, the Group has renewed its target to reduce or maintain the energy consumption intensity in 2026 using the Reporting Period as the baseline year for comparison.

Water Consumption

The Group is dedicated to saving water resources by using various practices including regular monitoring of water consumption, identifying abnormal consumption and preventing leakage. As the Group's operations are mainly based in Hong Kong, the Group does not have any issue in sourcing water that is fit for purpose.

Area	Target	Progress
Water Consumption	Reduce or maintain water consumption intensity during the Reporting Period using 2024 as the baseline year	Not achieved — inclusion of the live action role-playing game business in the reporting scope resulted in water consumption increasing to a greater extent than that of the number of new employees

The Group has previously set a target of reducing or maintaining the water consumption intensity during the Reporting Period using 2024 as the baseline year for comparison. Water is used in basic cleaning and sanitisation in the offices. During the Reporting Period, the Group's water consumption has increased due to inclusion of the live action role-playing game business in the reporting scope. Its water consumption increased to a greater extent than that of the number of new employees for that business, resulting in an increase in water consumption intensity.

A summary of water consumption performance of the Group is as follows:

Indicator	Unit	2025	2024
Total Water Consumption	m^3	**111.00**	73.00
Intensity	m^3/employee	**1.23**	0.90

The Group will encourage all employees to develop the habit of conserving water. The Group has been strengthening its water-saving promotion, posting water-saving slogans, and educating employees to use water responsibly. It will continue to monitor its water consumption and carry out measures to better manage water usage.

In view of business expansion, the Group has renewed its target to reduce or maintain the water consumption intensity in 2026 using the Reporting Period as the baseline year for comparison.

Packaging Materials

Due to the Group's business nature, the Group does not consume any packaging materials and therefore any related disclosure is not applicable.

A3. The Environment and Natural Resources

The Group has an ongoing commitment to become a socially responsible enterprise. Although the business activities of the Group have a limited direct impact on the environment and natural resources, it strives to minimise any negative impacts that its operations may have on the environment, and tries to maintain a harmonious balance with the surrounding nature while advancing the development of its business and achieving growth.

The Group has established guidelines for mitigating environmental impacts and adopting the best practices in terms of optimising resources consumption and reducing emissions. The Group regularly assesses its environmental risks and adopts preventive measures in reducing those risks. It ensures its practices comply with relevant laws and regulations.

Indoor Air Quality

Good indoor air quality is vital to the health of employees. The Group regularly monitors and measures the indoor air quality of the workplace. By using air purification equipment to filter pollutants, impurities, and dust particles, and regularly cleaning the air-conditioning system, the Group strives to ensure satisfactory indoor air quality in its offices.

A4. Climate Change

Climate change has become a growing global concern. It is undeniably a significant and impending issue that poses unforeseen hazards and catastrophic consequences for businesses. The Group recognises that threats presented by climate change may have a severe impact on its stakeholders, its business operations, and the wider communities. The Group has formulated a Climate Change Policy to enhance its ability to respond to climate impacts and mitigate the risks involved. It closely monitors the potential impact of climate change on its business and actively contributes by offsetting its carbon footprint. The Group has evaluated the below climate-related risks, and has strived to manage possible impacts of climate risks on the Group's businesses.

Physical Risks

The increased frequency and severity of extreme weather events, such as typhoons, storms, torrential rain, extreme cold or extreme hot weather, create acute and chronic physical risks to the Group's businesses. Under extreme weather events, the safety of employees may be threatened, the power grid or communications infrastructure may be disrupted, and the Group's productivity may decline. These events expose the Group to risks associated with non-performance and delayed performance, which may affect the Group's financial situation.

To minimise potential risks and hazards, the Group has put in place contingency plans, including flexible working arrangements and precautions in the event of severe or extreme weather conditions, such as typhoons and rainstorms. The Group will continue to explore emergency response plans to further reduce the vulnerability of its operations to extreme weather events to improve business stability and sustainability.

Transition Risks

The Group anticipates that there will be more stringent climate-related legislation and regulations to support the global vision of carbon neutrality. Such changes may increase the Group's costs for compliance. Moreover, in the low-carbon economy, stakeholders expect companies to take more actions in climate change response and increase the transparency in disclosure. The Group may experience reputational risks if it fails to respond to the above expectations of stakeholders properly, which may materially and adversely affect its business operations and financial performance. In response to the potential policy and legal risks as well as the reputation risks, the Group regularly monitors existing and emerging trends, policies and regulations relevant to the industry and is prepared to alert the top management where necessary to avoid cost increments, non-compliance fines and/or reputational damage due to delayed response. The Group will continue to assess the effectiveness of the Group's actions on climate change and enhance its resilience against climate-related issues.

B. SOCIAL

B1. Employment

The Group takes pride in its team of talents, as they are the key to boundless creativity. The Group works hard to create a diverse and positive culture, by embracing all types of creative talent, building strong teams, and developing prosperous careers.

The Group has established a Human Resources and Payroll Policy to facilitate its people-oriented management. The policy stipulates the Group's employment practices regarding recruitment and dismissal, remuneration and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other employment matters. The Group advocates a high standard of business ethics and personal conduct among its employees by means of this policy. The Group also reviews its policies and recruitment procedures regularly to ensure that its recruitment standards are updated and improved continuously.

During the Reporting Period, the Group was not aware of any material non-compliance with employment-related laws and regulations that might have a significant impact on the Group. The relevant laws and regulations include, but are not limited to, the Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and the Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong).

Workforce

As of 31 March 2025, the Group had a total of 90 employees (as of 31 March 2024: 81), all of them are based in Hong Kong. The employee profile of the Group is illustrated below:

Employee Data	2025	2024
By Gender		
Female	**43**	32
Male	**47**	49
By Age Group		
Below 30 years old	**48**	43
30–50 years old	**42**	38
Above 50 years old	**0**	0
By Employee Type		
Full-time	**84**	79
Part-time	**6**	2

With a strong people-oriented culture supported by good employment practices, the Group has noted an increase in employee morale, as well as better employee retention. As of 31 March 2025, the employee turnover rate[1] of the Group was 64.4% (as of 31 March 2024: 79.0%). The turnover rate has been decreasing for two consecutive years. The breakdown of the employee turnover rate is illustrated below:

Employee Data	2025	2024
By Gender		
Female	**55.8%**	106.3%
Male	**72.3%**	61.2%
By Age Group		
Below 30 years old	**64.6%**	69.8%
30–50 years old	**64.3%**	81.6%
Above 50 years old	**–**	100%
By Geographical Region		
Hong Kong	**64.4%**	79.0%

Note:

1. Employee turnover rate = Total number of employees left during the Reporting Period/Total number of employees at the end of the Reporting Period x 100%.

Recruitment, Promotion and Dismissal

The Group strives to attract, engage and develop the best talents in the industry. An open and transparent recruitment process is applied to assess potential candidates based on their capabilities, qualifications, work experience, and suitability for the job. Each candidate is evaluated based on their suitability for the position and potential to fulfil the Group's current and future needs.

Talented and outperforming employees are rewarded with promotion and recognition. The Group offers promotion and development opportunities to outstanding employees through an open and fair appraisal system with objective performance indicators. Factors such as past performance, skills, and qualifications will be considered. The appraisal system allows employees to exploit their full potential and contribute to the Group's sustainable growth.

Dismissal will only be carried out on lawful and substantiated grounds, and notifications of the problems must have been previously communicated to the employee concerned prior to the final dismissal. The termination of employment contract is governed by internal policies to ensure it complies with relevant laws and regulations in Hong Kong. The Group strictly prohibits any kinds of unfair or unlawful dismissals.

Remuneration and Benefits

Employee remuneration consists of basic salary and variable pay. The Group regularly reviews its remuneration package to make sure it reflects prevailing market conditions and properly recognises employee contribution. A range of employee benefits are provided, including medical scheme, dental scheme, group insurance, mandatory provident fund and discretionary bonus.

Working Hours and Rest Periods

The Group is concerned about employee health and ensures that its employees can achieve work-life balance. Due to the job requirements common in the media industry, the Group's employees may work flexible hours and ad hoc assignments when needed in content or advertisement production. The Group allows flexibility in arrangements and encourages its employees to take appropriate rest after completion of prolonged assignments. The Group provides employees with annual leave, sick leave, marital leave, maternity leave, paternity leave in addition to statutory holidays.

Diversity, Equal Opportunity and Anti-discrimination

The Group is committed to creating and maintaining an inclusive and collaborative workplace culture in which all can thrive. It adheres to non-discriminatory employment practices pursuant to its ESG Policy. Recruitment, promotion, and dismissal of employees are mainly based on job requirements and individual performance. The Group endeavours to maintain a workplace that is free from discrimination, physical or verbal harassment against any individual on the basis of race, religion, colour, gender, physical or mental disability, age, place of origin, marital status, and sexual orientation. The Group has zero tolerance for any form of sexual harassment or abuse in the workplace.

B2. Health and Safety

The Group is committed to providing and maintaining a safe and healthy working environment for all employees. The Group has established relevant measures which are incorporated in the Group's Human Resources and Payroll Policy on the prevention and remediation of workplace accidents, and detection of potential safety hazards in the workplace.

During the Reporting Period, the Group was not aware of any material non-compliance with health and safety-related laws and regulations that might have a significant impact on the Group. The relevant laws and regulations include, but are not limited to, the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong) and the Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong).

The Group noted no lost working days due to work-related injuries during the Reporting Period (2024: nil). No work-related fatalities occurred in the last three consecutive years including the Reporting Period.

Health and Safety Measures

The Group follows the occupational health and safety guidelines recommended by the Labour Department and the Occupational Safety and Health Council. The Human Resources and Administration Department ("HRA") assumes the responsibility of monitoring occupational health and safety. It reviews the safety and security management system periodically and performs regular checks in the offices to ensure the safety of employees.

First aid boxes are placed at easily accessible locations in the offices. The HRA is responsible for ensuring the supplies inside the first aid boxes are sufficient and within the recommended use-by date.

The Group also offers comprehensive health care coverage including, but not limited to, medical benefits to all employees. Health and safety information is provided to employees to raise their awareness of occupational health and safety issues.

B3. Development and Training

The Group offers a breadth of ways for people to learn and develop. It inspires its employees to deliver excellence and to reach goals beyond their imagination. This is achieved through the development of a training strategy that focuses on creating value and serving the needs of customers, audiences, and the society. The Group provides ongoing training to help employees refresh existing skills, while acquiring new skills to cope with the fast-changing and evolving digital media landscape. Training activities include induction training for new staff, software programme update training for operational staff and professional accounting and listing rules update training for the accounting team.

The Group's Human Resources and Payroll Policy governs its training procedures and helps keep its training programs at a professional standard. Training contents are regularly updated to ensure that they are relevant to changes in laws and regulations, market trends, audience preferences and customer behaviour. The Group encourages and supports employees to participate in personal and professional training to fulfil the needs of the Group's development.

As the media and entertainment industry is largely people-centric, the Group's employees rely heavily on the experience and guidance of senior staff. Therefore, the Group actively encourages the culture of knowledge and experience sharing. It also provides induction training and on-the-job training to all new employees.

During the Reporting Period, the percentage of employees trained[1] was 60%, and the average hours of training completed per employee[2] was approximately 0.30 hours. The details of training data are illustrated below:

Employee Data	2025		2024	
	Percentage of Employees Trained[3]	**Average Training Hours Per Employee[4]**	Percentage of Employees Trained[3]	Average Training Hours Per Employee[4]
By Gender				
Female	**74.4%**	**0.37**	51.8%	1.05
Male	**46.8%**	**0.23**	48.2%	1.20
By Employee Category				
Management	**33.3%**	**0.17**	5.9%	1.50
General Staff	**60.9%**	**0.30**	94.1%	1.09

Notes:

1. The percentage of employees trained = Total number of employees trained during the Reporting Period/Total number of employees at the end of the Reporting Period x 100%

2. The average training hours per employee = Total training hours for the Reporting Period/Total number of employees at the end of the Reporting Period

3. The percentage of employees trained by category = Number of employees trained in the specific category during the Reporting Period/Number of employees in that specific category at the end of the Reporting Period x 100%

4. The average training hours per employee by category = Training hours in the specific category for the Reporting Period/Number of employees in that specific category at the end of the Reporting Period

B4. Labour Standards

Prevention of Child Labour and Forced Labour

The use of child and forced labour are prohibited pursuant to the Group's Human Resources and Payroll Policy as well as relevant laws and regulations. The Group strictly complies with local laws and recruits based on the Employment Ordinance (Chapter 57 of the Laws of Hong Kong). Copies of personal identification documents are collected during the process to assist in the selection of suitable candidates and verification of their personal data to prevent the use of child labour.

The employees of the Group only work overtime if necessary and on a voluntary basis. The Group also prohibits any management styles and behaviours involving punishment, verbal abuse, physical abuse, oppression, sexual harassment, among other inappropriate behaviours, against its employees for any reason.

The HRA ensures that the background and identity documents of potential candidates are carefully checked. All new employees are required to provide true and accurate personal information when they join the Group. If child labour or forced labour is found as a violation of the Group's employment policies, the Group will take immediate action, which may include termination of contract, and an investigation of the incident.

During the Reporting Period, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations that might have a significant impact on the Group. The relevant laws and regulations include, but are not limited to, the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).

B5. Supply Chain Management

The suppliers of the Group's advertising and media services are primarily artists, social media platforms, third party production houses, and photographers, whereas the suppliers of its print media services are mainly printers, photographers, and book writers in Hong Kong. The Group has maintained long-term and stable relationships with its suppliers. All suppliers are evaluated carefully and are subject to regular monitoring and assessment.

The Group has established new businesses during the Reporting Period. The management of the Group's new subsidiaries primarily oversees supplier management for these new businesses. Given that these new businesses are mainly in the service industry, the number of suppliers is limited. The subsidiaries adhere to the supplier management policy of the Group and ensure it is strictly followed.

The Group believes that local procurement can support the economy and create job opportunities for the local community. Sourcing locally is beneficial to the environment, as it reduces emissions and energy involved in transportation. Therefore, the Group commits to sourcing locally. During the Reporting Period, the Group had 442 suppliers in total (2024: 283), 438 of them were located in Hong Kong, and 4 of them were from rest of the world.

Environmental and Social Risks of Supply Chain

To ensure that all its suppliers are conscious of being environmentally and socially responsible, the Group has formulated the Supplier Code of Conduct, which outlines the Group's expectations of its suppliers. The code also ensures that the potential suppliers can compete in a transparent and fair way. The Group does not differentiate or discriminate against certain suppliers. It has measures in place to prevent all kinds of business bribery and avoid business decisions being affected by any conflict of interest among employees and suppliers. The code is reviewed regularly to ensure its effectiveness.

The Group is aware of the importance of managing ESG risks in its supply chain. The Group has embedded ESG considerations in its procurement process and has added environmental and social performance as evaluation criteria. For example, the Group ascertains the fact that potential suppliers comply with environmental laws and minimum wage laws. The Group regularly monitors their compliance once they are engaged as its suppliers. Should a supplier fail to comply with any of the relevant laws and regulations, it may be removed from the Group's approved supplier list. During the Reporting Period, all suppliers were qualified and met the standards in the Group's assessments.

The Group continuously monitors the policies implemented by the government in the locations where it operates. When eco-friendly products or services become available, the Group will consider a switch to these products to minimise its impact on the environment.

B6. Product Responsibility

Service Quality

Customer satisfaction is crucial to the sustainable development of the Group. The Group is convinced that the success of its clients constitutes the success of the Group. The business philosophy of "customer-first" has been emphasised throughout all levels of its operations. The Group continues to improve the quality of its services with an aim to go beyond customer expectations.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations that have a significant impact on the Group, concerning product health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress, that might have a significant impact on the Group. The relevant laws and regulations include, but are not limited to, the Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong), the Copyright Ordinance (Chapter 528 of the Laws of Hong Kong) and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

Due to the Group's business nature, it does not engage in any sale of tangible products, and therefore product recall and any related disclosures are not applicable. During the Reporting Period, the Group has not had any sold products recalled for safety and health reasons, nor has the Group received any major complaints from customers. Nevertheless, the Group has formulated a set of complaint handling procedures. When a complaint is received, it will be forwarded to the manager from the corresponding department. The department manager will investigate the case by reviewing related documents, procedures and policies. Moreover, they will try to interview corresponding personnel and customers. The investigated results will be shared openly with different parties and corresponding remedial actions will be taken with no prejudice. The case will be filed for management record and will be discussed in management meetings to improve the overall operation of the Group.

All the complaints lodged by customers will be handled in a timely and courteous manner.

Quality Assurance Process

The Group is committed to providing services of excellent quality. The enhancement of media content and creativity in designs has always been given a top priority. The Group has a stringent quality assurance process across departments, and it strives to provide pleasant user experience for its customers. As a trend-setting player in the advertising and media industry, the Group is constantly keeping up with changes in technology and innovative ways to provide media solutions.

Intellectual Property Rights

The Group believes that its brand and intellectual property rights are critical to its success. Its strong client base is largely built on its brand name and reputation. The Group's continuing success and growth will depend on its ability to protect and promote its brands, trademarks, copyrights and other intellectual property rights.

The Group has registered a number of trademarks in Hong Kong and branded its business by using "Most", which is a widely recognised name. The Group's intangible assets, such as financial information, intellectual property, employee details are entrusted and managed with a high level of care. Should there be any infringement of its intellectual property, the Group will urge infringers to cease such infringement. The HRA of the Group will take further action if the infringement continues.

The Group has adopted the Intellectual Property Policy to prevent infringement on third party intellectual property rights. The Group's measures to protect intellectual property rights are as follows:

- Provide reference training to employees on copyright compliance and the function and duties of responsible personnel on such compliance matters;

- Continue to obtain the license from the Composers and Authors Society of Hong Kong Limited ("CASH") for the use of melodies and lyrics registered with CASH; and

- Review all creative content published by the Group and its key personnel before publication and/or distribution. The personnel responsible should ensure that the Group has obtained the right and/or permission to use the relevant photos, songs, lyrics, and other content prior to publishing them.

The Group's key personnel in this respect include:

- Senior editor who reviews the content under advertorial production and advertisement placement;

- Publishing manager who reviews all of the book publications; and

- Assistant creative director, digital manager and assistant digital manager who reviews all content to be distributed on the Digital Media Platforms.

Customer Privacy Protection

Visitors of the Group's website at http://www.tvmost.com.hk/may choose to register as members. During the registration process, the Group collects its members' personal information. As such, the Group adheres to the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) of Hong Kong and expressly reiterates confidentiality obligations when carrying out its operations. The Group regularly reviews the effectiveness of its information security controls to meet its privacy and data protection obligations.

The Group is determined to strengthen the protection of customers' privacy. The Group's employees are trained to maintain the confidentiality of its customers' information. The Group also has a data backup system through which backed up data is stored in different locations to reduce the risk of data loss or theft. The Group has also implemented firewall, anti-virus and anti-spam solutions for its IT systems which are upgraded constantly to prevent leakage of confidential information.

Advertising and Labelling

The Group strictly complies with all relevant laws and regulations regarding proper advertising, as posters, magazines and online advertising materials constitute a major part of the Group's productions. The Group has developed the Advertising Sales Policy to manage the quality of its advertising activities. Due to the Group's business nature, the Group considers that it has an insignificant amount of business dealing in relation to labelling matters.

B7. Anti-corruption

The Group is committed to cultivating a corporate culture of integrity, fairness, honesty and openness when doing business and has zero tolerance for bribery and corruption. All employees are required to be familiar with and follow the Prevention of Bribery Ordinance in Hong Kong. Fraudulent events such as corruption, bribery, and collusion are strictly prohibited.

Additionally, the Group has established an Anti-fraud Policy to define appropriate methods in handling conflict of interests, accepting advantages, leakage of confidential information, embezzlement of the Group's assets in one's position, and fraudulent financial statements, among others, to comply with the relevant laws and regulations.

During the Reporting Period, the Group was not aware of any material non-compliance with the relevant laws and regulations that might have a significant impact on the Group, concerning bribery, extortion, fraud and money laundering. The relevant laws and regulations include, but are not limited to, the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong). In addition, there were no concluded legal cases regarding corruption being brought against the Group or its employees during the Reporting Period.

Whistle-blowing Policy

The Group has implemented a Whistle-blowing Policy which allows all employees and independent third parties, including but not limited to customers, suppliers, and contractors, to report on any possible improprieties, misconduct, malpractices or irregularities related to financial reporting, internal control, or other matters, to the Board or the audit committee anonymously. Reports and complaints received will be handled in a prompt and fair manner. Such policy also aims at protecting whistle-blowers from unfair dismissal, victimisation and unwarranted disciplinary actions, the identity of the whistle-blower will be kept strictly confidential where possible. Any person who is found to have victimised or retaliated against those who have raised concerns under this policy will be subject to disciplinary sanctions. The Group may refer cases to the relevant authorities if needed. The Board and the audit committee of the Group will supervise and review the implementation and effectiveness of the Whistle-blowing Policy on a regular basis.

The audit committee of the Group is also responsible for ongoing evaluation of the Group's internal control, detection of potential deficiency, and identification of areas for improvement. An audit report is distributed to the responsible departments for timely remediation.

Anti-corruption Training

The Group's Human Resources and Payroll Policy stipulates the professional and ethical standards expected among employees when conducting business. It defines the appropriate methods in handling conflict of interests, accepting advantages, leakage of confidential information, embezzlement of the Group's assets in one's position, fraudulent financial statements, among others, to comply with the relevant laws and regulations.

The Group's directors and employees regularly attend anti-corruption training. The content of training includes anti-corruption legal knowledge and integrity behaviours in the workplace. The training helps the Group's directors and employees to deepen their understanding of the latest anti-corruption laws and regulations, their duties and expected ethical standards. During the Reporting Period, 6 directors and 20 employees of the Group participated in anti-corruption training, with a total training time of 26 hours.

B8. Community Investment

Community Participation

The Group makes an impact on the community by providing creative and sustainable solutions to its clients, and inspiring its employees on ways to connect and strengthen ties with the community. As stated in its ESG Policy, the Group's community initiatives focus on areas including education, medical, health and elderly care.

As a multimedia company, the Group recognises that it can play a significant role in promoting charitable activities and making a positive impact on society. The Group leverages on its extensive reach across the young population to amplify charitable organisations' messages and help them reach a wider audience. It arouses public attention that may benefit charities and vulnerable populations.

Lead Artist Participating in "MDS Cappadocia"

In March 2025, 100 Most announced that one of its lead artists was lacing up for "MDS Cappadocia", a marathon competition organised by Marathon des Sables. The competition presents significant challenges beyond its demanding distance, as participants are required to carry essential provisions, such as food and life-saving equipment which may add up to a weight of 10 kg, and are only allocated a limited amount of water supply. Only 5 liters of water are available each evening, and it must be carefully managed to cover personal hygiene, laundering, and sustaining hydration for the initial 10 km of the following day's journey. Such constraints serve as a powerful reminder of the scarcity of clean water in many regions, reinforcing awareness of the difficulties faced by those affected communities.

The competition also entails inherent risks, with participants required to sign a liability waiver acknowledging the risks involved. Notably, the registration fee includes provisions for emergency response measures, including transportation in the event of fatal incidents.

The artist's participation is not only a personal endeavour, but a call of action to support A Drop of Life, a charity dedicated to bringing clean water to communities in need. The mentioned coverage by 100 Most turns its strong media reach into a meaningful impact, rippling out and bringing hope to where it is needed.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE (1)

Mandatory Disclosure Requirements	Sections
Governance Structure	Chairman's Statement; Sustainability Governance; Stakeholder Engagement; Materiality Assessment
Reporting Principles	Reporting Framework
Reporting Boundary	Scope of Reporting

THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE (2)

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
A. Environmental		
A1. Emissions		
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 air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	A1. Emissions
KPI A1.1	The types of emissions and respective emissions data.	A1. Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) GHG emissions (in tonnes) and, where appropriate, intensity.	A1. Emissions — GHG Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and intensity.	A1. Emissions — Waste Management (not applicable — explained)
KPI A1.4	Total non-hazardous waste produced (in tonnes) and intensity.	A1. Emissions — Waste Management
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	A1. Emissions — GHG 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.	A1. Emissions — Waste Management

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
A2. Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	A2. Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	A2. Use of Resources — Energy Consumption
KPI A2.2	Water consumption in total and intensity.	A2. Use of Resources — Water Consumption
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	A2. Use of Resources — Energy Consumption
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.	A2. Use of Resources — Water Consumption
KPI A2.5	Total packaging material used for finished products (in tonnes) and with reference to per unit produced.	A2. Use of Resources — Packaging Materials (not applicable — explained)
A3. The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	A3. 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.	A3. The Environment and Natural Resources — Indoor Air Quality
A4. Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate related issues which have impacted, and those which may impact the issuer.	A4. 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.	A4. Climate Change — Physical Risks, Transition Risks

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
B. Social		
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.	B1. Employment
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	B1. Employment — Workforce
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	B1. Employment — Workforce
B2. Health and Safety		
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.	B2. Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	B2. Health and Safety
KPI B2.2	Lost days due to work injury.	B2. Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	B2. Health and Safety

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
B3. Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	B3. Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category.	B3. Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	B3. Development and Training
B4. Labour Standards		
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.	B4. Labour Standards — Prevention of Child and Forced Labour
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	B4. Labour Standards — Prevention of Child and Forced Labour
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	B4. Labour Standards — Prevention of Child and Forced Labour

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
B5. Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	B5. Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	B5. Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	B5. Supply Chain Management — Environmental and Social Risks of Supply Chain
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	B5. Supply Chain Management — Environmental and Social Risks of Supply Chain
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	B5. Supply Chain Management — Environmental and Social Risks of Supply Chain

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
B6. Product Responsibility		
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.	B6. Product Responsibility — Service Quality
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	B6. Product Responsibility — Service Quality (not applicable — explained)
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	B6. Product Responsibility — Service Quality
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	B6. Product Responsibility — Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	B6. Product Responsibility — Quality Assurance Process
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	B6. Product Responsibility — Customer Privacy Protection

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
B7. Anti-corruption		
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.	B7. 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.	B7. Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	B7. Anti-corruption — Whistle-blowing Policy
KPI B7.3	Description of anti-corruption training provided to directors and staff.	B7. Anti-corruption — Anti-corruption Training
B8. Community Investment		
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.	B8. Community Investment — Community Participation
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	B8. Community Investment — Community Participation
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	B8. Community Investment — Community Participation

INDEPENDENT AUDITOR'S REPORT

bakertilly
天職國際

To the shareholders of Most Kwai Chung Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Most Kwai Chung Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 78 to 135, which comprise the consolidated statement of financial position as at 31 March 2025, 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 as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code") 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 judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit Matter	How the matter was addressed in our audit
Impairment assessment of trade receivables *Refer to notes 2.11(d), 3.1(a)(ii), 4 and 19 to the consolidated financial statements* As at 31 March 2025, the Group had trade receivables of approximately HK$16,083,000, net of provision of HK$1,289,000, representing 22% of the Group's total assets. In general, the credit terms granted by the Group to the customers ranged between 30 and 90 days. Management performed periodic assessment on the impairment of trade receivables and sufficiency of provision for impairment based on information including credit profile of different customers, ageing of trade receivables, historical settlement records, expected timing and amount of realisation of outstanding balances, and on-going trading relationships with the relevant customers. Management also considered forward-looking information that may impact the customer's ability to repay the outstanding balances in order to estimate the expected credit losses ("ECL") for the impairment assessment. We focused on the impairment assessment of trade receivables under the ECL model due to the involvement of the use of assumptions which are judgemental in nature and the calculation is subject to a higher degree of estimation uncertainty among the different accounting estimates applied by management in the preparation of consolidated financial statements.	Our audit procedures in this area included: • Understanding and evaluating the design and implementation of key internal controls over the process of impairment assessment of trade receivables; • Testing management's assessment of identifying indicators for changes in credit risk characteristics, evaluating the appropriateness of the management's default definition and corroborating management's explanation with supporting evidence; • Evaluating the outcome of prior period impairment assessment of trade receivables to assess the effectiveness of management's estimation process; • Inquiring of management regarding the status of each of the material trade receivables past due as at year end and the Group's ongoing business relationships with the relevant customers, and collaborating this information with the relevant settlement and trade records; • Testing, on a sample basis, the accuracy and completeness of trade receivables ageing report as at year end; • Assessing the appropriateness of the expected credit loss provisioning methodology, examining the underlying key data inputs such as monthly ageing profile of trade receivables balances on a sample basis to assess the accuracy and completeness of historical data and challenging the forward-looking information used to determine the adjustment made to historical loss rate in order to calculate the expected credit losses; and • Assessing the reasonableness of the disclosures in the consolidated financial statements in respect of ECL allowance for trade receivables with reference to the requirements of the prevailing accounting standards. Based on the results of the procedures performed, we found the management judgement and estimates used in the impairment assessment of trade receivables are supported by available evidence.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises 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 on the other information obtained, 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 DIRECTORS AND THOSE CHARGED WITH GOVERNANCE 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 as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

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

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

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional 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.

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

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

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

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

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

The engagement director on the audit resulting in this independent auditor's report is Ng Tsz Man.

Baker Tilly Hong Kong Limited
Certified Public Accountants

Hong Kong, 26 June 2025
Ng Tsz Man
Practising certificate number P07892

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2025

(Expressed in Hong Kong dollars)

	Note	2025 HK$'000	2024 HK$'000
Revenue	5	**93,590**	55,195
Cost of sales	6	**(50,265)**	(35,223)
Gross profit		**43,325**	19,972
Other income		**373**	1,084
Gain on step acquisition on a subsidiary	25	**1,499**	–
Selling and distribution expenses	6	**(17,021)**	(11,503)
Administrative expenses	6	**(22,608)**	(19,756)
Provision for impairment losses on trade receivables, net	19	**(312)**	(118)
Operating profit/(loss)		**5,256**	(10,321)
Finance income	8	**1,227**	1,470
Finance costs	8	**(128)**	(105)
Finance income, net		**1,099**	1,365
Share of profit/(loss) of associates, net		**62**	(102)
Share of profit/(loss) of a joint venture	16	**67**	(254)
Profit/(loss) before income tax		**6,484**	(9,312)
Income tax expense	9	**(100)**	–
Profit/(loss) and total comprehensive income/(loss) for the year		**6,384**	(9,312)
Attributable to:			
Owners of the Company		**6,126**	(9,215)
Non-controlling interests		**258**	(97)
		6,384	(9,312)
Basic and diluted earnings/(loss) per share for profit/(loss) attributable to owners of the Company (Hong Kong cents)	10	**2.27**	(3.41)

The notes on pages 83 to 135 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 March 2025

(Expressed in Hong Kong dollars)

	Note	2025 HK$'000	2024 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment	*11*	**1,515**	1,395
Right-of-use assets	*12*	**1,078**	1,516
Goodwill	*13*	**4,187**	–
Deposits		**162**	456
Interests in associates	*15*	**–**	775
Interest in a joint venture	*16*	**112**	45
		7,054	4,187
Current assets			
Inventories	*18*	**469**	473
Trade receivables	*19*	**16,083**	8,984
Prepayments, deposits and other receivables		**4,204**	4,480
Current income tax recoverable		**71**	12
Cash and cash equivalents		**43,913**	42,823
		64,740	56,772
Total assets		**71,794**	60,959
EQUITY			
Capital and reserves			
Share capital	*20*	**2,700**	2,700
Reserves		**48,940**	42,814
Equity attributable to owners of the Company		**51,640**	45,514
Non-controlling interests	*26*	**2,289**	1,189
Total equity		**53,929**	46,703

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 March 2025
(Expressed in Hong Kong dollars)

	Note	**2025** **HK$'000**	2024 HK$'000
LIABILITIES			
Non-current liabilities			
Lease liabilities	*12*	**107**	409
Defined benefit plan obligations	*21*	**180**	176
		287	585
Current liabilities			
Trade payables	*23*	**4,102**	1,418
Lease liabilities	*12*	**1,106**	1,144
Amount due to an associate	*27(a)*	**1,489**	1,489
Other payables and accruals		**4,565**	3,941
Contract liabilities	*5(a) and (b)*	**6,273**	5,636
Current income tax liabilities		**43**	43
		17,578	13,671
Total liabilities		**17,865**	14,256
Total equity and liabilities		**71,794**	60,959

The consolidated financial statements on pages 78 to 135 were approved for issue by the board of directors on 26 June 2025 and were signed on its behalf.

Iu Kar Ho
Director

Luk Ka Chun
Director

The notes on pages 83 to 135 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2025
(Expressed in Hong Kong dollars)

	Attributable to owners of the Company							
	Share capital HK$'000	**Share premium** HK$'000	**Share-based employee compensation reserve** HK$'000	**Other reserves** HK$'000	**Accumulated losses** HK$'000	**Total** HK$'000	**Non-controlling interests** HK$'000	**Total equity** HK$'000
Balance as at 1 April 2023	2,700	67,028	6,953	997	(21,989)	55,689	640	56,329
Loss and total comprehensive loss for the year	–	–	–	–	(9,215)	(9,215)	(97)	(9,312)
Transactions with owners in their capacity as owners:								
Deregistration of a partially-owned subsidiary	–	–	–	–	(960)	(960)	(640)	(1,600)
Contributions from non-controlling interests	–	–	–	–	–	–	1,286	1,286
	–	–	–	–	(960)	(960)	646	(314)
Balance as at 31 March 2024	2,700	67,028	6,953	997	(32,164)	45,514	1,189	46,703
Balance as at 1 April 2024								
Profit and total comprehensive income for the year	**–**	**–**	**–**	**–**	**6,126**	**6,126**	**258**	**6,384**
Transactions with owners in their capacity as owners:								
Arising from step acquisition of a subsidiary	**–**	**–**	**–**	**–**	**–**	**–**	**662**	**662**
Contributions from non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**180**	**180**
	–	**–**	**–**	**–**	**–**	**–**	**842**	**842**
Balance as at 31 March 2025	**2,700**	**67,028**	**6,953**	**997**	**(26,038)**	**51,640**	**2,289**	**53,929**

Note: Other reserves represent the difference of the combined share capital of the subsidiaries acquired by the Company over the nominal value of the shares issued by the Company in exchange thereof pursuant to the reorganisation completed before the listing of the ordinary shares of the Company.

The notes on pages 83 to 135 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2025
(Expressed in Hong Kong dollars)

	Note	**2025** **HK$'000**	2024 HK$'000
Cash flows from operating activities			
Cash generated from/(used in) operations	*24(a)*	**603**	(10,517)
Income tax (paid)/refunded		**(159)**	392
Net cash generated from/(used in) operating activities		**444**	(10,125)
Cash flows from investing activities			
Interest received	*8*	**1,227**	1,470
Contributions from non-controlling interests of subsidiaries		**180**	1,286
Acquisition of an associate	*15*	**–**	(400)
Dividend received from an associate		**367**	1,806
Net cash inflows arising from step acquisition on a subsidiary	*25*	**1,556**	–
Purchase of property, plant and equipment	*11*	**(778)**	(825)
Net cash generated from investing activities		**2,552**	3,337
Cash flows from financing activities			
Principal element of lease payments	*24(b)*	**(1,778)**	(1,099)
Interest element of lease payments	*24(b)*	**(128)**	(105)
Net cash used in financing activities		**(1,906)**	(1,204)
Net increase/(decrease) in cash and cash equivalents		**1,090**	(7,992)
Cash and cash equivalents at beginning of the year		**42,823**	50,815
Cash and cash equivalents at end of the year		**43,913**	42,823

The notes on pages 83 to 135 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2025
(Expressed in Hong Kong dollars)

1 GENERAL INFORMATION

Most Kwai Chung Limited (the "Company") was incorporated in the Cayman Islands on 8 June 2017 as an exempted company with limited liability under the Companies Act (as revised from time to time) of the Cayman Islands. The address of the Company's registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business is located at Unit 8, 16/F, Block B, Tung Chun Industrial Building, 11-13 Tai Yuen Street, Kwai Chung, New Territories, Hong Kong. The ordinary shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The Company is an investment holding company. The Group (as defined below) is principally engaged in the provision of digital media services, print media services and other media, innovative trend business and other professional services.

The ultimate holding company of the Group is Blackpaper Limited ("Blackpaper BVI"), a company incorporated in the British Virgin Islands with limited liability. Blackpaper BVI is owned as to 50% by each of Mr. Iu Kar Ho ("Mr. Iu") and Mr. Luk Ka Chun ("Mr. Luk").

These consolidated financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand ("HK$'000") except when otherwise indicated.

2 MATERIAL ACCOUNTING POLICY INFORMATION

This note provides a summary of material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the Company and its subsidiaries (together, the "Group").

2.1 Basis of preparation of the consolidated financial statements

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The consolidated financial statements have been prepared on a historical cost basis.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

(Expressed in Hong Kong dollars)

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.1 Basis of preparation of the consolidated financial statements *(Continued)*

(a) Amendments to HKFRS Accounting Standards adopted by the Group

The Group has applied the following amendments to HKFRS Accounting Standards for the first time for their annual reporting period commencing on 1 April 2024 and there is no material impact on the Group's consolidated financial statements.

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

(b) New and amendments to HKFRS Accounting Standards not yet adopted

The following new and amendments to the HKFRS Accounting Standards that have been published are not mandatory for the year ended 31 March 2025 and have not been early adopted by the Group:

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 9 and HKFRS 7	Contracts Referencing Nature — Dependent Electricity[2]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]

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.

Except for the new HKFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.1 Basis of preparation of the consolidated financial statements *(Continued)*

(b) New and amendments to HKFRS Accounting Standards not yet adopted *(Continued)*

HKFRS 18 "Presentation and Disclosure in Financial Statements"

HKFRS 18 "Presentation and Disclosure in Financial Statements", which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 "Presentation of Financial Statements". This new standard, while carrying forward many of the requirements in HKAS 1, 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. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and HKFRS 7 "Financial Instruments: Disclosure". Minor amendments to HKAS 7 "Statement of Cash Flows" and HKAS 33 "Earnings per Share" are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

2.2 Subsidiaries and consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combination by the Group.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated financial position and consolidated statement of changes in equity respectively.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.2 Subsidiaries and consolidation *(Continued)*

(a) Changes in ownership interests in subsidiaries without change of control

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Company. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

(b) Disposal of subsidiaries

When the Group ceases to consolidate for an investment because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This might mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified or permitted by applicable HKFRS Accounting Standards.

2.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.4 Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see note 2.6 below), after initially being recognised at cost.

When the Group's share of losses exceeds its interests in the associates, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.5 Joint ventures

Under HKFRS 11 "Joint Arrangements" investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

The Group has a joint venture and its interest in a joint venture is accounted for using the equity method of accounting (see note 2.6 below), after initially being recognised at cost in the consolidated statement of financial position.

2.6 Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.10.

2.7 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

— the fair values of the assets transferred;

— the liabilities incurred to the former owners of the acquired business;

— the equity interests issued by the Group;

— the fair value of any asset or liability resulting from a contingent consideration arrangement; and

— the fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.7 Business combinations *(Continued)*

Acquisition-related costs are expensed as incurred.

The excess of the (i) the consideration transferred; (ii) the amount of any non-controlling interest in the acquired entity; and (iii) the acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

2.8 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their costs, net of their residual values over their estimated useful lives, as follows:

Computer equipment	5 years
Furniture and fixtures	5 years
Office equipment	3 years
Leasehold improvements	3 years or over the unexpired period of the lease, whichever is shorter

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.10).

Gains and losses on disposals are determined by comparing proceeds with carrying amount, and are included in profit or loss.

2.9 Goodwill

Goodwill is measured as described in note 2.7. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (note 5).

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.10 Impairment of non-financial assets other than goodwill

Non-financial assets other than goodwill are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.11 Financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

— those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and

— those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to present subsequent changes in fair value through other comprehensive income ("FVOCI").

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.11 Financial assets *(Continued)*

(c) Measurement *(Continued)*

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

— Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss and other comprehensive income.

— FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented as other income in the consolidated statement of profit or loss and other comprehensive income.

— FVPL

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other income in the period in which it arises.

(d) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 3.1(a)(ii) and note 19 for further details.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.13 Inventories

Inventories comprise books and merchandise held for direct sales and are stated at the lower of cost and net realisable value. Cost is determined using the first-in-first-out method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost necessary to make the sale.

2.14 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days to 90 days and therefore all classified as current.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.15 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks with original maturities of three months or less.

2.16 Share capital

Ordinary shares are classified as equity (note 20).

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Group prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.18 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the jurisdictions where the entities within the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on either the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. The deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 "Income Taxes" requirements to right-of-use assets and lease liabilities separately. 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.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.19 Employees benefits

(a) Short-term employee benefits

Salaries, bonus and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

Bonus plans

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Retirement and other post-employment benefits

The Group offers the following retirement and other post-employment benefits to its employees:

— defined contribution retirement schemes (including MPF); and

— LSP under Hong Kong Employment Ordinance for employees in Hong Kong.

The assets of retirement schemes are generally held in separate trustee-administered funds.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.19 Employees benefits *(Continued)*

(b) Retirement and other post-employment benefits *(Continued)*

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Pursuant to the government regulations in Hong Kong, the Group is required to contribute an amount to certain retirement benefit schemes based on approximately 5% of the wages for the year of those employees subject to a statutory cap. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The present values of the Group's LSP obligations are determined by discounting the estimated future cash outflows using discount rate with reference to Government bond yields at the end of the reporting period, which have terms approximating the terms of the related liabilities. The net interest cost is calculated by applying the discount rate to the net balance of the obligations. This cost is included in staff costs in the consolidated income statement. In calculating the Group's LSP obligations, any actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

(c) Share-based payments

The ultimate holding company awarded shares of the Company to selected employees of the Group for no cash consideration. On the grant date, the market value of the shares awarded is recognised as employee benefit expenses in the consolidated statement of profit or loss and other comprehensive income with a corresponding increase in share-based employee compensation reserve within equity.

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.21 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the rendering of services and goods in the ordinary course of the Group's activities.

If contracts involve the sale of multiple elements, the transaction price will be allocated to each performance obligation based on their relative stand-alone selling price. If the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

Revenue is recognised when or as the control of the good or service is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the good or service may be transferred over time or at a point in time.

Control of the good or service is transferred over time if the Group's performance:

— provides all of the benefits received and consumed simultaneously by the customer;

— creates or enhances an asset that the customer controls as the Group performs; or

— 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.

If the control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service. Specific criteria where revenue is recognised are described below.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.21 Revenue recognition *(Continued)*

A receivable is recognised when the products are delivered and the customers accept the products, as this is the point in time that the consideration is unconditional because only the passage of the time is required before the payment is due.

The Group has primarily the following types of revenues:

(a) Media services and media management services income

Media services income is recognised when the services are rendered or on the date of the relevant production is published or delivered.

(b) Sales of books and merchandise

Revenue from sales of books and merchandise, net of trade discounts and returns, is recognised on the transfer of control of books and other merchandise to the customers, which generally coincides with the date of delivery.

(c) Sales of tickets for events

Revenue from sales of tickets for events is recognised when the services are rendered and accepted by the customers.

(d) Printed and online advertising income

Printed advertising income, net of trade discounts, is recognised when the printed advertising is published or delivered.

(e) Performance income, and matching, dating and marriage consultancy and agent services income

Performance income, and matching, dating and marriage consultancy and agent services income are recognised when the services are rendered.

(f) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.22 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

— fixed payments (including in-substance fixed payments), less any lease incentives receivable;

— variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;

— amounts expected to be payable by the Group under residual value guarantees;

— the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and

— payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

— where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;

— uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing; and

— makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

2 MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.22 Leases *(Continued)*

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

— the amount of the initial measurement of lease liability;

— any lease payments made at or before the commencement date less any lease incentives received;

— any initial direct costs; and

— restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life or the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The right-of use assets are subsequently stated at cost less accumulated depreciation and impairment losses (see note 2.10).

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose itself to a variety of financial risks: credit risk, liquidity risk and interest rate risk. The currency risk is considered insignificant as the Group's transactions are predominantly in the functional currency of the Group, being HK$. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by management according to the policies of the Group. Financial risks are identified and evaluated in close co-operation within the Group's business.

3.1 Financial risk factors

(a) Credit risk

The credit risk of the Group mainly arises from cash and cash equivalents (deposits with banks), other receivables and trade receivables. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets.

(i) Risk management

The Group has policies in place to ensure that sales are made to reputable and creditworthy customers with an appropriate financial strength, credit history and an appropriate percentage of down payments. It also has monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

In addition, the Group reviews regularly the authorisation of credit limits to individual customers and recoverable amount of each individual trade receivables to ensure that adequate impairment losses are made for irrecoverable amounts.

As at 31 March 2025 and 2024, there were no customers which individually contributed over 10% of the Group's trade receivables. The major debtors of the Group are reputable organisations with no history of default. Management considers that the credit risk is limited in this regard.

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(a) Credit risk *(Continued)*

(ii) Impairment of financial assets

Cash and cash equivalents
In respect of cash at banks of HK$43,901,000 (2024: HK$42,793,000), the credit risk is considered to be low as they are mainly placed with reputable banks with no defaults in the past. Therefore, the expected credit loss rate of cash at bank is assessed to be insignificant.

Trade receivables
The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected credit loss provision of all trade receivables. The Group recognised lifetime expected credit loss for trade receivables carried at amortised cost based on either individually customers who are long overdue with significant amounts or known insolvencies or non-response to collection activities, or collectively assessing them for likelihood of recovery based on ageing of the balances with similar credit risk characteristics taking into account the forward-looking information.

The expected loss rates are based on the historical monthly outstanding balances of trade receivables of 6 months before 31 March 2025 (2024: 6 months before 31 March 2024) and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted for factors that are specific to the debtors and reflect the current and forecast general economic conditions affecting the ability of the customers to settle the receivables.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, failure of a debtor to engage in a repayment plan with the Group, and failure to make contractual payments for a period of greater than 365 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit/(loss). Subsequent recoveries of amounts previously written off are credited against the same line item.

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(a) Credit risk *(Continued)*

(ii) Impairment of financial assets (Continued)

Trade receivables (Continued)

On that basis, the loss allowance as at 31 March 2025 and 2024 was determined as follows for trade receivables:

	2025			
	Lifetime expected loss rate %	**Gross carrying amount HK$'000**	**Lifetime expected credit loss HK$'000**	**Net carrying amount HK$'000**
Collective assessment				
Current	**1.23**	**7,709**	**(95)**	**7,614**
Within 2 months	**2.95**	**3,927**	**(116)**	**3,811**
2 to 4 months	**1.73**	**1,327**	**(23)**	**1,304**
4 to 6 months	**10.80**	**3,185**	**(344)**	**2,841**
6 to 8 months	**35.57**	**492**	**(175)**	**317**
8 to 10 months	**37.45**	**267**	**(100)**	**167**
10 to 12 months	**89.68**	**281**	**(252)**	**29**
Over 12 months	**100.00**	**184**	**(184)**	**–**
		17,372	**(1,289)**	**16,083**

	2024			
	Lifetime expected loss rate %	Gross carrying amount HK$'000	Lifetime expected credit loss HK$'000	Net carrying amount HK$'000
Collective assessment				
Current	2.62	4,474	(117)	4,357
Within 2 months	7.43	350	(26)	324
2 to 4 months	8.18	1,662	(136)	1,526
4 to 6 months	2.22	1,351	(30)	1,321
6 to 8 months	20.63	1,178	(243)	935
8 to 10 months	40.00	745	(298)	447
10 to 12 months	55.69	167	(93)	74
Over 12 months	100.00	34	(34)	–
		9,961	(977)	8,984

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2025

(Expressed in Hong Kong dollars)

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(a) Credit risk *(Continued)*

(ii) Impairment of financial assets (Continued)

Other financial assets at amortised cost

The Group has policies in place to monitor the credit exposure to the relevant parties. The Group assesses the financial capabilities of the counterparties including its repayment histories, and its abilities to obtain financial support when necessary. Management also regularly reviews the recoverability of these receivables and follow up the disputes or amounts overdue, if any. The directors are of the opinion that the credit risk of these receivables is low due to sound collection history of the receivables due from them. Therefore, the expected credit loss rate of these financial assets is assessed to be insignificant.

(b) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents. The Group maintains its liquidity mainly through funding generated from its daily operations.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	2025			
	Within 1 year HK$'000	**Between 1 to 2 years HK$'000**	**Total contractual cash flow HK$'000**	**Carrying amount HK$'000**
Trade payables	**4,102**	**–**	**4,102**	**4,102**
Lease liabilities	**1,136**	**108**	**1,244**	**1,213**
Amount due to an associate	**1,489**	**–**	**1,489**	**1,489**
Financial liabilities included in other payables and accruals	**3,365**	**–**	**3,365**	**3,365**
	10,092	**108**	**10,200**	**10,169**

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Liquidity risk *(Continued)*

	2024			
	Within 1 year HK$'000	Between 1 to 2 years HK$'000	Total contractual cash flow HK$'000	Carrying amount HK$'000
Trade payables	1,418	–	1,418	1,418
Lease liabilities	1,200	415	1,615	1,553
Amount due to an associate	1,489	–	1,489	1,489
Financial liabilities included in other payables and accruals	3,716	–	3,716	3,716
	7,823	415	8,238	8,176

(c) Interest rate risk

The Group's interest rate risk arises primarily from cash at banks and lease liabilities. The Group currently does not hedge its exposure to cash flow and fair value interest rate risk. The Group analyses its interest rate exposure on a regular basis and will consider the interest rate exposure when enter into any financing, renewal of existing positions and alternative financing transactions. As at 31 March 2025 and 2024, the Group's interest rate risk is considered to be insignificant and no sensitivity analysis is performed.

3.2 Capital risk management

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, and sell assets to reduce debt or funding from shareholders.

As at 31 March 2025 and 2024, the Group had no borrowings from bank and other financial institutions.

3.3 Fair value estimation

The carrying amounts of the Group's financial assets, including trade receivables, deposits and cash and cash equivalents; and the Group's financial liabilities, including trade payables, other payables and accruals, amount due to an associate and lease liabilities approximate their fair values due to their short maturities.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will likely differ the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Impairment of receivables

The loss allowance for financial assets is based on assumptions about the risk of default and expected loss rates. The Group uses significant judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Group's past history, existing market conditions as well as forward-looking information at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 3.1(a)(ii).

Estimation of goodwill impairment

The Group tests goodwill for impairment on an annual basis. For the year ended 31 March 2025, the recoverable amount of cash-generating units ("CGUs") was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a three-year period.

Details of key assumptions and impact of possible changes in key assumptions are disclosed in note 13.

5 REVENUE AND SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker ("CODM") that are used for making strategic decisions. The CODM is identified as executive directors of the Company. The executive directors reviewed the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The CODM considers the Group's operation from a business perspective and determines that the Group has three reportable operating segments as follows:

Digital media services

Digital media services represent the provision of media management services and one-stop advertising solution packages under which the deliverables to customers are distributed on digital media platforms managed by the Group, third parties' TV channels, the Internet and physical advertising spaces, subject to the needs of the customers.

Print media services

Print media services represent the sale of books published by the Group.

5 REVENUE AND SEGMENT INFORMATION *(Continued)*

Other media, innovative trend business and other professional services ("OM and other services")

Other media, innovative trend business and other professional services income represent income generated from (i) displaying customers' advertisements and promoting their brands in events organised by the Group; (ii) sale of tickets for these events and merchandise; (iii) artistes management business, under which the Group's contracted artistes appear advertisements produced and events organised by the Group, as well as for third party customers; and (iv) matching, dating and marriage consultancy income.

The CODM assesses the performance of the operating segments based on a measure of revenue and results before income tax. The segment information provided to the CODM for the reportable segments is as follows:

	2025			
	Digital media services HK\$'000	**Print media services HK\$'000**	**OM and other services HK\$'000**	**Total HK\$'000**
Revenue	**73,016**	**302**	**31,093**	**104,411**
Inter-segment transactions	**(2,657)**	**–**	**(8,164)**	**(10,821)**
Revenue from external customers	**70,359**	**302**	**22,929**	**93,590**
Segment profit/(loss) before income tax	**3,945**	**(1,216)**	**1,485**	**4,214**
Unallocated expenses				**(457)**
Gain on step acquisition on a subsidiary				**1,499**
Finance income, net				**1,099**
Share of profit of associates, net				**62**
Share of profit of a joint venture				**67**
Income tax expense				**(100)**
Profit for the year				**6,384**
Other information:				
Depreciation of property, plant and equipment	**71**	**298**	**289**	**658**
Depreciation of right-of-use assets	**1,076**	**–**	**800**	**1,876**
Finance costs related to leases liabilities	**74**	**–**	**54**	**128**

5 REVENUE AND SEGMENT INFORMATION *(Continued)*

Other media, innovative trend business and other professional services ("OM" services) *(Continued)*

	2024			
	Digital media services HK$'000	Print media services HK$'000	OM and other services HK$'000	Total HK$'000
Revenue	52,758	525	6,485	59,768
Inter-segment transactions	(4,361)	–	(212)	(4,573)
Revenue from external customers	48,397	525	6,273	55,195
Segment (loss)/profit before income tax	(9,032)	(1,325)	489	(9,868)
Unallocated expenses				(453)
Finance income, net				1,365
Share of loss of associates, net				(102)
Share of loss of a joint venture				(254)
Loss for the year				(9,312)
Other information:				
Depreciation of property, plant and equipment	85	501	60	646
Depreciation of right-of-use assets	1,022	–	72	1,094
Finance costs related to leases liabilities	97	–	8	105
Write-back of other payables	–	–	522	522

Inter-segment transactions are charged at prices agreed between group entities, which are determined by reference to the prices offered to third party customers.

All of the Group's activities are carried out in Hong Kong and all its assets and liabilities are located in Hong Kong. No analysis of segment assets and segment liabilities is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

5 REVENUE AND SEGMENT INFORMATION *(Continued)*

Information about major customers:

Revenue from major customer arising from digital media services which accounted for 10% or more of the total revenue is set out below:

	2025 HK$'000	2024 HK$'000
Customer A	**N/A#**	8,268

The corresponding revenue did not contribute 10% or more of the total revenue.

Disaggregation of revenue from contracts with customers within the scope of HKFRS 15 by the timing of revenue recognition is as follows:

	2025 HK$'000	2024 HK$'000
At a point of time:		
Media services income	**80,380**	45,170
Sales of books and merchandise	**2,833**	525
OM and other services income	**6,855**	6,121
	90,068	51,816
Over time:		
Media services income	**1,929**	3,227
OM and other services income	**1,593**	152
	3,522	3,379
	93,590	55,195

(a) Changes in contract liabilities

Contract liabilities for receipts in advance from customers have increased by HK$637,000 (2024: increased by HK$3,434,000) from the prior year. The increase in 2025 and 2024 was mainly due to new customers commitment from digital media services, and OM and other services.

The Group typically receives the full amount of the agreed consideration as a deposit from customers upon signing the service contract. This deposit is recognised as a contract liability until the related media services, and OM and other services are rendered.

5 REVENUE AND SEGMENT INFORMATION *(Continued)*

(b) Revenue recognised in relation to contract liabilities

The following table shows the amount of revenue recognised during the year that was included in the contract liabilities balance at the beginning of the year.

	2025 **HK$'000**	2024 HK$'000
Media services, and OM and other services income contracts	**5,636**	2,202

All media services, and OM and other services income contracts are for periods of one year or less or are billed based on time incurred. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

6 EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses and administrative expenses are analysed as follows:

	2025 **HK$'000**	2024 HK$'000
Cost of production	**43,625**	27,570
Cost of inventories	**1,325**	185
Employee benefit expenses, including directors' emoluments#	**35,241**	31,283
Depreciation of property, plant and equipment	**658**	646
Depreciation of right-of-use assets	**1,876**	1,094
Expenses relating to short-term leases	**1,135**	427
Auditor's remuneration		
— Audit services	**770**	780
Professional fees	**1,374**	1,673
Royalties	**46**	46
Others	**3,844**	2,778
Total cost of sales, selling and distribution expenses and administrative expenses	**89,894**	66,482

#: Amount HK$5,315,000 (2024: HK$7,468,000) is recognised in cost of sales, and the remaining balance is recognised in selling and distribution expenses and administrative expenses.

7 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	2025 **HK$'000**	2024 HK$'000
Wages and salaries	**29,528**	27,352
Bonus and commissions	**3,600**	1,787
Pension costs — defined contribution plans *(note (a))*	**1,195**	1,082
Welfare and other expenses	**914**	886
Provision for long service payments *(note 21(b))*	**4**	176
	35,241	31,283

The Group has no other obligations for the payment of retirement and other post-retirement benefits of employees or retirees other than the defined contribution payments and long service payments as disclosed above.

(a) Pension costs — defined contribution plans

No forfeited contribution is available to reduce the contribution payable in future year.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include three directors (2024: two) for the year ended 31 March 2025, whose emoluments are reflected in the analysis presented in note 27(c). The emoluments payable to the remaining two (2024: three) individuals for the year ended 31 March 2025 are as follows:

	2025 **HK$'000**	2024 HK$'000
Wages and salaries	**863**	2,095
Bonus and commissions	**804**	777
Pension costs — defined contribution plans	**36**	44
	1,703	2,916

7 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) *(Continued)*

(b) Five highest paid individuals *(Continued)*

The emoluments fell within the following bands:

	2025 Number of individuals	2024 Number of individuals
Emolument bands		
HK$nil–HK$1,000,000	**2**	2
HK$1,000,001–HK$2,000,000	**–**	1
	2	3

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

8 FINANCE INCOME, NET

	2025 HK$'000	2024 HK$'000
Finance income		
Bank interest income	**1,227**	1,470
Finance costs		
Finance costs related to lease liabilities *(note 12(b))*	**(128)**	(105)
	1,099	1,365

9 INCOME TAX EXPENSE

	2025 HK$'000	2024 HK$'000
Income tax expense — Hong Kong	**100**	–

The taxation on the Group's profit/(loss) before income tax differs from the theoretical amount that would arise using the Hong Kong standard rate of income tax as follows:

	2025 HK$'000	2024 HK$'000
Profit/(loss) before income tax	**6,484**	(9,312)
Tax calculated at 16.5% (2024: 16.5%)	**1,069**	(1,536)
Tax effect of:		
— Income not subject to tax	**(449)**	(726)
— Expenses not deductible for tax purposes	**67**	191
— Share of results of associates	**(10)**	17
— Share of results of a joint venture	**(11)**	42
— Tax losses not recognised	**340**	2,036
— Tax losses utilised	**(805)**	(24)
— Tax concession under two-tiered profits rates regime	**(101)**	–
Income tax expense	**100**	–

For the tax assessment year ended 31 March 2025, Hong Kong Profits Tax of a subsidiary is levied at 8.25% on the estimated assessable profits arising in or derived from Hong Kong for the year below HK$2,000,000, and thereafter at 16.5%.

For tax assessment year ended 31 March 2024, no provision for Hong Kong Profits Tax was made as the Group did not have any assessable profit.

10 EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue.

	2025	2024
Profit/(loss) attributable to owners of the Company during the year (HK$'000)	**6,126**	(9,215)
Weighted average number of ordinary shares in issue	**270,000,000**	270,000,000
Basic earnings/(loss) per share (Hong Kong cents)	**2.27**	(3.41)

The diluted earnings/(loss) per share is the same as the basic earnings/(loss) per share for both 2025 and 2024 as there were no potential shares in issue for both 2025 and 2024.

11 PROPERTY, PLANT AND EQUIPMENT

	Computer equipment HK$'000	Furniture and fixtures HK$'000	Office equipment HK$'000	Leasehold improvements HK$'000	Total HK$'000
As at 1 April 2023					
Cost	3,305	262	1,078	2,056	6,701
Accumulated depreciation	(2,589)	(262)	(934)	(1,700)	(5,485)
Net book amount	716	–	144	356	1,216
Year ended 31 March 2024					
Opening net book amount	716	–	144	356	1,216
Additions	361	35	25	404	825
Depreciation *(note 6)*	(266)	(6)	(71)	(303)	(646)
Closing net book amount	811	29	98	457	1,395
As at 31 March 2024 and 1 April 2024					
Cost	3,666	297	1,103	2,460	7,526
Accumulated depreciation	(2,855)	(268)	(1,005)	(2,003)	(6,131)
Net book amount	811	29	98	457	1,395
Year ended 31 March 2025					
Opening net book amount	**811**	**29**	**98**	**457**	**1,395**
Additions	**361**	**69**	**54**	**294**	**778**
Depreciation *(note 6)*	**(287)**	**(18)**	**(65)**	**(288)**	**(658)**
Closing net book amount	**885**	**80**	**87**	**463**	**1,515**
As at 31 March 2025					
Cost	**4,027**	**366**	**1,157**	**2,754**	**8,304**
Accumulated depreciation	**(3,142)**	**(286)**	**(1,070)**	**(2,291)**	**(6,789)**
Net book amount	**885**	**80**	**87**	**463**	**1,515**

All depreciation during the years ended 31 March 2025 and 2024 was charged to administrative expenses.

12 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Amounts recognised in the consolidated statement of financial position

	2025 **HK$'000**	2024 HK$'000
Right-of-use assets		
Office premises	**1,078**	1,516
Lease liabilities		
Current	**1,106**	1,144
Non-current	**107**	409
	1,213	1,553

Additions to the right-of-use assets during the year ended 31 March 2025 were HK$1,438,000 (2024: HK$1,136,000).

(b) Amounts recognised in the consolidated statement of profit or loss and other comprehensive income

	2025 **HK$'000**	2024 HK$'000
Depreciation charge of right-of-use assets (office premises)	**1,876**	1,094
Finance costs related to lease liabilities	**128**	105
Expenses relating to short-term leases	**1,135**	427

The total cash outflow for leases in the year ended 31 March 2025 was HK$3,041,000 (2024: HK$1,631,000).

(c) The Group's leasing activities

The Group's leases various office premises. Lease contracts are typically made for fixed periods of 2–3 years (2024: 2–3 years).

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the rental deposits in the leased assets that are held by the lessor. Leased assets were not be used as security for borrowing purposes.

There are no variable lease payments, extension and termination options contained in the leases.

13 GOODWILL

	2025 **HK$'000**	2024 HK$'000
At 31 March	**4,187**	–

Impairment test for CGUs containing goodwill

Goodwill is allocated to the Group's CGUs identified according to country of operation and operating segment as follows:

	2025 **HK$'000**	2024 HK$'000
Digital media services	**4,187**	–

The directors have reviewed the carrying amount of goodwill in accordance with HKAS 36 "Impairment of Assets" as follows:

Digital media services

Goodwill arises from the step acquisition of an associate to a subsidiary, completing on 11 July 2024 (note 25).

The recoverable amount of the CGU is determined based on the value-in-use calculation under the income approach, which includes the discounted cash flows sourced from the financial budgets approved by the management covering a three-year period, and the pre-tax discount rate of approximately 13.47% that reflects current market assessment of the time value of money and the risks specific to the CGU.

Cash flow projections during the budget period are based on the expected revenue from existing and potential customers throughout the budget period. The cash flows beyond that three-year period have been extrapolated using a steady 2.5% per annum growth rate. The growth rate does not exceed the long-term average growth rate for the market.

The recoverable amount of the CGU for the year ended 31 March 2025 has been referenced to the valuation report prepared by Royson Valuation Advisory Limited, an independent professional valuer.

The key assumptions used in the value-in-use calculations for the CGU are as follows:

Budgeted market share	The values assigned to the assumption reflect past experience, except for the growth factor, which is consistent with the directors' estimation of the revenue from existing and potential customers. The directors believe that planned revenue growth per year for the next three years is reasonably achievable.
Number of service contracts	In order to maintain successive business operations of the CGU, the directors believe that there is no particular difficulty in renewal of the service contracts of the existing customers in the CGU.

The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the CGU to exceed its recoverable amount.

(Expressed in Hong Kong dollars)

14 SUBSIDIARIES

The following is a list of the principal subsidiaries as at 31 March 2025:

Name of subsidiaries	Place of incorporation and operation	Issued and fully paid capital	Attributable equity interest of the Group as at 31 March 2025	2024	Principal activities
Indirectly owned:					
Blackpaper Limited	Hong Kong	HK$1,000,009	**100%**	100%	Provision of creative multimedia services and advertising campaigns and publication of periodicals and books
Breadmood Limited	Hong Kong	HK$100	**100%**	100%	Provision of matching, dating and marriage consultancy and agent services
Burn Brain Club Limited *(note (i))*	Hong Kong	HK$2,857,142	**55%**	55%	Provision of live action role-playing game
Club 80 Limited *(note (ii))*	Hong Kong	HK$100	**97%**	N/A	Provision of creative multimedia services
French Rotational Production Limited	Hong Kong	HK$1	**100%**	100%	Provision of advertising and promotion services
Grandmother Limited	Hong Kong	HK$1	**100%**	100%	Provision of advertising and promotion services
General Manager Management Limited	Hong Kong	HK$3	**100%**	100%	Provision of artistes management and creative multimedia services
Hidden Jam Limited *(note (iii))*	Hong Kong	HK$600,000	**70%**	N/A	Engage in the advertising agency services

(Expressed in Hong Kong dollars)

14 SUBSIDIARIES *(Continued)*

Name of subsidiaries	Place of incorporation and operation	Issued and fully paid capital	Attributable equity interest of the Group as at 31 March 2025	2024	Principal activities
Mosic Music Limited	Hong Kong	HK$1	**100%**	100%	Provision of creative multimedia services and advertising campaigns
To Be Honest Limited *(note 25)*	Hong Kong	HK$1,000,000	**51%**	N/A	Provision of advertising agency services
Toilet Ideas Limited *(note (iv))*	Hong Kong	HK$1	**100%**	N/A	Provision of creative multimedia services
TV Most Broadcasts Limited	Hong Kong	HK$1	**100%**	100%	Provision of creative multimedia services and advertising campaigns
Whitepaper Limited	Hong Kong	HK$3	**100%**	100%	Provision of artistes management and creative multimedia services, advertising campaigns and publication of books

Notes:

(i) The Group obtained 55% equity interest of Burn Brain Club Limited through subscription of 1,571,428 shares on 23 November 2023.

(ii) The Group obtained 97% equity interest of Club 80 Limited through subscription of 97 shares on 25 November 2024.

(iii) The Group obtained 70% equity interest of Hidden Jam Limited through subscription of 420,000 shares on 29 April 2024.

(iv) The Group obtained 100% equity interest of Toilet Ideas Limited through subscription of 1 share on 17 December 2024.

15 INTERESTS IN ASSOCIATES

	2025 HK$'000	2024 HK$'000
Jar Gor 1996 Limited ("Jar Gor 1996")	**–**	–
Café de Jar Gor Limited ("Café de Jar Gor")	**–**	–
Café de Jar Gor (2nd) Limited ("Café 2nd")	**–**	–
Uuush Group Limited ("Uuush Group")	**–**	–
To Be Honest Limited ("To Be Honest") *(note (i))*	**–**	775
	–	775

Set out below are the associates of the Group as at 31 March 2025 and 2024:

Name of associates	**Place of business and incorporation**	**Nature of principal activities**	**Percentage of ownership interest as at 31 March 2025**	**2024**
Jar Gor 1996	Hong Kong	Inactive	**49%**	49%
Café de Jar Gor	Hong Kong	Inactive	**49%**	49%
Café 2nd	Hong Kong	Inactive	**49%**	49%
Uuush Group	Hong Kong	Inactive	**37%**	37%
To Be Honest *(note (i))*	Hong Kong	Provision of advertising agency services	**N/A**	20%

Note (i): On 31 May 2023, a subsidiary of the Company entered into a shareholder's agreement with independent third parties. The Group paid cash of HK$400,000 in acquisition of 200,000 ordinary shares of To Be Honest, which represents 20% of the entire issued capital of To Be Honest.

On 11 July 2024, the Group further acquired 31% ownership interest of To Be Honest, further details are disclosed in note 25.

All of the above associates are private companies and are accounted for using the equity method of accounting.

The unrecognised share of losses of the inactive associates amounted to HK$678,000 (2024: HK$1,293,000) for the year and the unrecognised accumulated losses amounted to HK$3,235,000 (2024: HK$2,557,000) as at 31 March 2025.

Investment cost of HK$1,489,000 payable to Café de Jar Gor remained unsettled as at 31 March 2025 (note 27(a)).

No reversal of impairment nor further impairment was recognised during the year ended 31 March 2025 as all associates are inactive.

The above associates were not individually material to the Group.

16 INTEREST IN A JOINT VENTURE

	2025 HK$'000	2024 HK$'000
SLTmr Limited	**112**	45

In June 2021, the Group paid cash of HK$700,000 for subscription of 700,000 ordinary shares of SLTmr Limited, which represents 35% of the entire issued capital of SLTmr Limited. It is classified as joint venture as unanimous consent is required from all shareholders for all activities that significantly affect the returns of the arrangement. SLTmr Limited is incorporated in Hong Kong and is principally engaged in the provision of content on recruitment and IT related information on the internet and a digital social media platform.

The table below shows summarised financial information for the joint venture. The information disclosed reflects the amounts presented in the financial statements of the joint venture and not the Group's share of those amounts.

	2025 HK$'000	2024 HK$'000
Summarised statement of financial position		
Non-current assets	**7**	14
Current assets	**486**	140
Current liabilities	**(175)**	(27)
Net assets	**318**	127
Revenue	**642**	596
Profit/(loss) and total comprehensive income/(loss) for the year	**191**	(727)
Reconciliation to carrying amount		
Net assets of the joint venture	**318**	127
Group's share in %	**35%**	35%
Group's share of net assets	**112**	45

17 FINANCIAL INSTRUMENTS BY CATEGORY

	2025 HK$'000	2024 HK$'000
Financial assets at amortised cost		
Trade receivables	**16,083**	8,984
Deposits and other receivables	**1,327**	1,560
Cash and cash equivalents	**43,913**	42,823
	61,323	53,367
Financial liabilities at amortised cost		
Trade payables	**4,102**	1,418
Lease liabilities	**1,213**	1,553
Amount due to an associate	**1,489**	1,489
Other payables	**3,365**	3,716
	10,169	8,176

The Group's exposure to various risks associated with the financial instruments is discussed in note 3. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

18 INVENTORIES

	2025 HK$'000	2024 HK$'000
Books held for sale	**429**	473
Merchandise held for sale	**40**	–
	469	473

The cost of inventories recognised as expense and included in cost of sales amounted to HK$1,325,000 for the year ended 31 March 2025 (2024: HK$185,000).

19 TRADE RECEIVABLES

	2025 **HK$'000**	2024 HK$'000
Trade receivables	**17,372**	9,961
Less: provision for impairment of trade receivables	**(1,289)**	(977)
	16,083	8,984

Credit terms ranging between 30 and 90 days were granted to our customers. The ageing analysis of trade receivables, based on invoice date, was as follows:

	2025 **HK$'000**	2024 HK$'000
Within 2 months	**11,636**	4,824
2 to 4 months	**1,327**	1,662
4 to 6 months	**3,185**	1,351
Over 6 months	**1,224**	2,124
	17,372	9,961

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for trade receivables. To measure the expected credit losses, these receivables have been grouped based on shared credit risk characteristics and the ageing derived based on days past due.

Movement in the provision for impairment of trade receivables that are assessed for impairment are as follows:

	HK$'000
As at 1 April 2023	864
Provision of impairment recognised during the year, net	118
Written off	(5)
As at 31 March 2024 and 1 April 2024	**977**
Provision of impairment recognised during the year, net	**312**
As at 31 March 2025	**1,289**

The maximum exposure to credit risk is the carrying amounts of trade receivables. The Group does not hold any collateral as security.

20 SHARE CAPITAL

Authorised share capital:

	Number of shares	**Nominal value of ordinary shares** HK$'000
At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	380,000,000	3,800

Ordinary shares, issued and fully paid:

	Number of shares	**Nominal value of ordinary shares** HK$'000	**Share premium** HK$'000
At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	270,000,000	2,700	67,028

21 POST-EMPLOYMENT BENEFITS

(a) Retirement benefits scheme

The Group participates the MPF Scheme under the Mandatory Provident Fund Schemes Ordinance for its employees in Hong Kong. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF Scheme, the Group and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000. Contributions to the scheme vest immediately, there is no forfeited contributions that may be used by the Group to reduce the existing level of contribution. The only obligation of the Group with respect to the retirement schemes is to pay the ongoing contributions required by the schemes.

(b) Provision for LSP

Hong Kong employees that have been employed continuously for at least five years are entitled to long service payments in accordance with the Hong Kong Employment Ordinance under certain circumstances. These circumstances include where an employee is dismissed for reasons other than serious misconduct or redundancy, that employee resigns at the age of 65 or above, or the employment contract is of fixed term and expires without renewal. The amount of LSP payable is determined with reference to the employee's final salary (capped at HK$22,500) and the years of service, reduced by the amount of any accrued benefits derived from the Group's contributions to MPF scheme (see note 21(a)), with an overall cap of HK$390,000 per employee. Currently, the Group does not have any separate funding arrangement in place to meet its LSP obligation.

21 POST-EMPLOYMENT BENEFITS *(Continued)*

(b) Provision for LSP *(Continued)*

In June 2022, the Government gazetted the Amendment Ordinance, which will eventually abolish the statutory right of an employer to reduce its LSP payable to a Hong Kong employee by drawing on its mandatory contributions to the MPF scheme. The Government has subsequently announced that the Amendment Ordinance will come into effect from the Transition Date i.e. 1 May 2025. Separately, the Government is also expected to introduce a subsidy scheme to assist employers after the abolition.

Among other things, once the abolition of the offsetting mechanism takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory contributions under MPF scheme (irrespective of the contributions made before, on or after the Transition Date) to reduce the LSP in respect of an employee's service from the Transition Date. However, where an employee's employment commenced before the Transition Date, the employer can continue to use the above accrued benefits to reduce the LSP in respect of the employee's service up to that date; in addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee's monthly salary immediately before the Transition Date and the years of service up to that date.

The Group has determined that the Amendment Ordinance primarily impacts the Group's LSP liability with respect to Hong Kong employees that participate in the Group's MPF Scheme.

The present value of unfunded obligations and its movements are as follows:

	HK$'000
At 1 April 2023	–
Expenses recognised in profit or loss:	
Current service cost	176
At 31 March 2024 and 1 April 2024	**176**
Expenses recognised in profit or loss:	
Current service cost	**4**
At 31 March 2025	**180**

21 POST-EMPLOYMENT BENEFITS *(Continued)*

(b) Provision for LSP *(Continued)*

The weighted average duration of the defined benefit obligation is 8.64 years (2024: 6.92 years). The above expense is recognised in administrative expense.

Significant actuarial assumptions (expressed as weighted averages) and sensitivity analysis are as follows:

	2025	2024
Discount rate	**4.08%**	3.75%
Future salary increases	**2.50%**	2.50%

The below analysis shows how the defined benefit obligation would have increased/decreased as a result of 1% change in the significant actuarial assumptions:

	2025		2024	
	Increase in 1% HK$'000	**Decrease in 1% HK$'000**	Increase in 1% HK$'000	Decrease in 1% HK$'000
Discount rate	**(7)**	**7**	(7)	7
Future salary increases	**5**	**(4)**	4	(4)

The above sensitivity analysis is based on the assumption that changes in actuarial assumptions are not correlated and therefore it does not take into account the correlations between the actuarial assumptions.

22 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Movement of each component of deferred tax assets and liabilities

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

Deferred tax arising from:	**Right-of-use assets** HK$'000	**Lease liabilities** HK$'000	**Total** HK$'000
At 1 April 2023	(243)	243	–
(Credited)/charged to profit or loss	(7)	7	–
At 31 March 2024 and 1 April 2024	**(250)**	**250**	**–**
Charged/(credited) to profit or loss	**72**	**(72)**	**–**
At 31 March 2025	**(178)**	**178**	**–**

(b) Deferred tax assets not recognised

As at 31 March 2025, the Group has not recognised deferred tax assets in respect of cumulative tax losses of approximately HK$35,263,000 (2024: HK$38,081,000) as it not probable that future taxable profits, against which the assets can be utilised, will be available in the relevant tax jurisdiction or entity. The tax losses do not expire under current tax legislation. Save as disclosed in note 22(a), other temporary differences not recognised are not material.

23 TRADE PAYABLES

The ageing analysis of trade payables, based on invoice date, was as follows:

	2025 **HK$'000**	2024 HK$'000
Within 1 month	**3,793**	1,186
1 to 2 months	**230**	136
2 to 3 months	**21**	–
Over 3 months	**58**	96
	4,102	1,418

24 CASH FLOW INFORMATION

(a) Reconciliation of profit/(loss) before income tax for the year to cash generated from/(used in) operations

	2025 HK$'000	2024 HK$'000
Profit/(loss) before income tax	**6,484**	(9,312)
Adjustments for:		
— Finance income *(note 8)*	**(1,227)**	(1,470)
— Depreciation of property, plant and equipment *(note 6)*	**658**	646
— Depreciation of right-of-use assets *(note 6)*	**1,876**	1,094
— Gain on step acquisition on a subsidiary *(note 25)*	**(1,499)**	–
— Write-back of other payables	**–**	(522)
— Provision of impairment losses on trade receivables, net *(note 19)*	**312**	118
— Share of (profit)/loss of associates, net	**(62)**	102
— Share of (profit)/loss of a joint venture *(note 16)*	**(67)**	254
— Finance costs related to lease liabilities *(note 8)*	**128**	105
— Expense recognised in respect of LSP *(note 21(b))*	**4**	176
Changes in working capital	**6,607**	(8,809)
— Inventories	**4**	7
— Trade receivables	**(7,078)**	(3,848)
— Prepayments, deposits and other receivables	**573**	(2,835)
— Trade payables	**2,528**	667
— Other payables and accruals	**(2,668)**	867
— Contract liabilities	**637**	3,434
Cash generated from/(used in) operations	**603**	(10,517)

(b) Reconciliation of liabilities arising from financing activities:

	Lease liabilities HK$'000
As at 1 April 2023	1,516
Additions	1,136
Finance costs related to lease liabilities	105
Cash flow	(1,204)
As at 31 March 2024 and 1 April 2024	**1,553**
Additions	**1,438**
Finance costs related to lease liabilities	**128**
Cash flow	**(1,906)**
As at 31 March 2025	**1,213**

25 BUSINESS COMBINATIONS

Step acquisition from an associate to a subsidiary

Pursuant to a sales and purchase agreement (the "Agreement") entered into between the Group and the other shareholders of To Be Honest on 11 July 2024, 31% equity interest of To Be Honest, the then associate of the Group, was acquired by the Group from the other shareholders, at a total consideration of HK$2,908,152 (the "Step Acquisition"). The Group's equity interest in To Be Honest was increased from 20% to 51% after the completion of this transaction, i.e. 11 July 2024.

To Be Honest is principally engaged in the provision of advertising agency services in Hong Kong, which is in line with the Group's principal business. After the initial acquisition, in view of To Be Honest's financial performance and its key personnels' expertise in the advertising industry, the directors of the Company considered that by acquiring the controlling stake of To Be Honest, the Step Acquisition could provide synergy to the Group and benefit its market position in the advertising and media market, as well as broaden its customer base and revenue. The directors are of the view that the Step Acquisition is in line with the Group's business strategy.

As at the completion date of the Step Acquisition, the Group remeasured its previously held equity interest in To Be Honest to its fair value and recognised a resulting gain of HK$1,499,000, which has been recognised to the profit or loss in the consolidated statement of profit or loss and other comprehensive income.

Details of the carrying value and fair value of the Group's previously held equity interest in To Be Honest at the completion date of the Step Acquisition were summarised as follows:

	HK$'000
Fair value of previously held equity interest in To Be Honest	1,969
Carrying value of previously held equity interest in To Be Honest before the Step Acquisition	(470)
Gain on step acquisition on a subsidiary	1,499

Assets acquired and liabilities assumed at the date of acquisition:

	HK$'000
Consideration	
Consideration paid, satisfied by cash	2,908
Fair value of previously held equity interest in To Be Honest	1,969
Total consideration	4,877

25 BUSINESS COMBINATIONS *(Continued)*

The fair values of the identifiable assets and liabilities acquired as at the date of the acquisition are as follows:

	HK$'000
Trade and other receivables	336
Cash and cash equivalents	4,464
Trade and other payables	(984)
Tax payables	(173)
Dividend payables	(1,836)
Amount due from directors	(455)
	1,352
Non-controlling interests *(note (i))*	(662)
Goodwill arising on acquisition *(note 13)*	4,187
Total consideration	4,877

Net inflows of cash and cash equivalents arising on acquisition:

	HK$'000
Cash consideration	(2,908)
Cash and cash equivalents acquired	4,464
	1,556

Note (i): The non-controlling interests recognised at the acquisition date were measured by reference to the non-controlling interests, proportionate share of the recognised amounts of acquiree's identifiable net assets.

To Be Honest contributed approximately HK$6,872,000 of revenue and HK$1,129,000 of profit for the period respectively for the period between the date of acquisition and the end of the reporting period. If the acquisition had occurred on 1 April 2024, the revenue and profit of To Be Honest for the year ended 31 March 2025 would have been HK$8,559,000 and HK$1,441,000, respectively. The pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operation of the Group that actually would have been achieved had the acquisition been completed on 1 April 2024, nor is it intended to be a projection of future results.

Acquisition related costs amounting to HK$318,000 have been excluded from the consideration and have been recognised as administrative expenses in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2025. The fair value of trade and other receivables at the date of acquisition approximated their gross contractual amounts and were expected to be fully recovered in the future.

26 NON-CONTROLLING INTERESTS

Summarised financial information of subsidiaries with material non-controlling interests

The following table lists out the information relating to To Be Honest; Burn Brain Club Limited ("BBC"); and Hidden Jam Limited ("Hidden Jam") that have material non-controlling interests ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

	2025				2024
	To Be Honest HK$'000	**BBC HK$'000**	**Hidden Jam HK$'000**	**Total HK$'000**	BBC HK$'000
NCI percentage	**49%**	**45%**	**30%**		45%
Non-current assets	**–**	**1,794**	**–**	**1,794**	1,256
Current assets	**4,363**	**1,410**	**763**	**6,536**	2,314
Non-current liabilities	**(1,866)**	**(1,076)**	**(193)**	**(3,135)**	(199)
Current liabilities	**(16)**	**(111)**	**(2)**	**(129)**	(730)
Net assets	**2,481**	**2,017**	**568**	**5,066**	2,641
Carrying amount of NCI	**1,216**	**905**	**168**	**2,289**	1,189
Revenue	**6,872**	**5,014**	**1,393**	**13,279**	1,168
Profit/(loss) and total comprehensive income/(loss) for the year	**1,129**	**(630)**	**(41)**	**458**	(217)
Profit/(loss) allocated to NCI	**553**	**(284)**	**(12)**	**257**	(97)
Contribution from NCI	**–**	**–**	**180**	**180**	1,286
Cash flows generated from/(used in) operating activities	**412**	**206**	**(221)**	**397**	(294)
Cash flows generated from/(used in) investing activities	**17**	**(567)**	**–**	**(550)**	(576)
Cash flow generated from/(used in) financing activities	**–**	**(735)**	**600**	**(135)**	2,781

No comparative figures have been provided to To Be Honest and Hidden Jam as the Group obtained control of these subsidiaries during the year ended 31 March 2025.

27 RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

The ultimate holding company and its shareholders are disclosed in note 1. Major related parties that had transactions and balances with the Group were as follows:

(a) Balances with related parties

	2025	2024
	HK$'000	HK$'000
Trade receivables with a joint venture		
SLTmr Limited	**–**	78
Trade payables with a related company		
Golden Seven Limited *(note (ii))*	**72**	24
Flowerworks Limited *(note (iii))*	**39**	–
	111	24
Amount due to an associate		
Café de Jar Gor *(note (i))*	**1,489**	1,489

Note (i): The balances were non-trade in nature, unsecured, interest-free and repayable on demand.

Note (ii): A director, Mr. Iu, has beneficial interests in this related company.

Note (iii): The spouse of a director, Mr. Iu, has beneficial interests in this related company.

27 RELATED PARTY TRANSACTIONS *(Continued)*

(b) Transactions with related parties

Save as disclosed elsewhere in these consolidated financial statements, the following transactions were carried out with related parties:

	2025 **HK$'000**	2024 HK$'000
Digital media service income		
SLTmr Limited	**46**	73
Artist and talent fees		
Flowerworks Limited	**(233)**	–
Golden Seven Limited	**(710)**	(289)
Mr. Iu	**–**	(58)
Mrs. Chan Pak Ling, Mavis (spouse of Mr. Iu)	**(15)**	–

Note: The pricing of all the above transactions was determined based on mutual negotiation and agreement between the Group and the respective related parties.

Each of the transactions conducted with Flowerworks Limited, Golden Seven Limited, Mr. Iu, and Mrs. Chan Pak Ling, Mavis, respectively, constituted fully-exempt continuing connected transaction under Chapter 14A of the Listing Rules.

(c) Key management compensation

Key management includes directors and top management. The compensation paid or payable to key management for employee services is shown below:

	2025 **HK$'000**	2024 HK$'000
Wages and salaries	**4,476**	5,086
Commissions	**684**	443
Pension costs — defined contribution plan	**72**	90
	5,232	5,619

28 DIVIDEND

The directors do not recommend the payment of any dividend in respect of the year ended 31 March 2025 (2024: HK$nil).

29 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' remuneration

The remuneration of directors is set out below:

	2025				
Name of director	**Directors' fees HK$'000**	**Salaries HK$'000**	**Discretionary bonus HK$'000**	**Employer's contribution to pension scheme HK$'000**	**Total HK$'000**
Executive directors					
— Mr. Iu	–	1,344	–	18	1,362
— Mr. Luk	–	1,344	–	18	1,362
— Ms. Leung Hoi Yui *(note)*	–	307	322	8	637
Independent non-executive directors					
— Mr. Ho Kwong Yu	150	–	–	–	150
— Mr. Leung Ting Yuk	150	–	–	–	150
— Mr. Leung Wai Man	150	–	–	–	150
	450	2,995	322	44	3,811

29 BENEFITS AND INTERESTS OF DIRECTORS *(Continued)*

(a) Directors' remuneration *(Continued)*

	2024				
Name of director	Directors' fees HK$'000	Salaries HK$'000	Discretionary bonus HK$'000	Employer's contribution to pension scheme HK$'000	Total HK$'000
Executive directors					
— Mr. Iu	–	1,344	–	18	1,362
— Mr. Luk	–	1,344	–	18	1,362
Independent non-executive directors					
— Mr. Ho Kwong Yu	150	–	–	–	150
— Mr. Leung Ting Yuk	150	–	–	–	150
— Mr. Leung Wai Man	150	–	–	–	150
	450	2,688	–	36	3,174

Note: Appointed on 12 November 2024.

During the years ended 31 March 2025 and 2024, none of the directors of the Company (i) received or paid any remuneration in respect of accepting office; and (ii) waived or has agreed to waive any emolument.

(b) Directors' termination benefits

During the years ended 31 March 2025 and 2024, no emoluments, payments or benefits in respect of termination of directors' services were paid or made, directly or indirectly, to the directors; nor are any payable.

(c) Consideration provided to third parties for making available directors' services

During the years ended 31 March 2025 and 2024, no consideration was provided to third parties for making available directors' services.

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the years ended 31 March 2025 and 2024, there were no loans, quasi-loans or other dealings in favour of the directors, their controlled bodies corporate and connected entities.

30 COMMITMENT

Commitment outstanding at the end of the reporting period not provided for in the consolidated financial statements is as follows:

	2025 HK$'000	2024 HK$'000
Lease commitment	**302**	–

31 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY

Statement of financial position of the Company

	2025 HK$'000	2024 HK$'000
ASSETS		
Non-current assets		
Investment in a subsidiary	**14,444**	14,444
Current assets		
Amounts due from subsidiaries	**26,523**	26,763
Other receivables	**–**	74
Cash and cash equivalents	**354**	494
	26,877	27,331
Total assets	**41,321**	41,775
EQUITY		
Share capital	**2,700**	2,700
Share premium	**67,028**	67,028
Reserves	**(28,407)**	(27,953)
Total equity	**41,321**	41,775
LIABILITIES		
Total liabilities	**–**	–
Total equity and liabilities	**41,321**	41,775

31 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY *(Continued)*

Reserve movements of the Company

	Other reserve	Accumulated losses	Total
	HK$'000	HK$'000	HK$'000
Balance as at 1 April 2023	14,444	(34,948)	(20,504)
Loss for the year	–	(7,449)	(7,449)
Balance as at 31 March 2024	14,444	(42,397)	(27,953)
Balance as at 1 April 2024	**14,444**	**(42,397)**	**(27,953)**
Loss for the year	**–**	**(454)**	**(454)**
Balance as at 31 March 2025	**14,444**	**(42,851)**	**(28,407)**

The investment in a subsidiary was accounted for using the net asset value at the date of the reorganisation. The difference between the net asset value and the nominal value of issued share capital for the acquisition amounted to approximately HK$14,444,000 was credited as other reserve.

FIVE-YEAR FINANCIAL SUMMARY

The results of Group for the last five financial years are as follows:

	2025 HK$'000	2024 HK$'000	2023 HK$'000	2022 HK$'000	2021 HK$'000
Revenue	**93,590**	55,195	39,593	67,775	59,108
Profit/(loss) before taxation	**6,484**	(9,312)	(20,882)	(18,389)	9,936
Income tax (expense)/credit	**(100)**	–	135	(136)	(593)
Profit/(loss) and total comprehensive income/(loss) for the year	**6,384**	(9,312)	(20,747)	(18,525)	9,343
Attributable to:					
Owners of the Company	**6,126**	(9,215)	(20,387)	(16,325)	9,343
Non-controlling interests	**258**	(97)	(360)	(2,200)	–
	6,384	(9,312)	(20,747)	(18,525)	9,343
Basic earnings/(loss) per share for profit/(loss) attributable to owners of the Company (Hong Kong cents)	**2.27**	(3.41)	(7.55)	(6.05)	3.46

The assets and liabilities of the Group for the last five financial years are as follows:

	2025 HK$'000	2024 HK$'000	2023 HK$'000	2022 HK$'000	2021 HK$'000
Assets and liabilities					
Total assets	**71,794**	60,959	65,926	88,197	106,829
Total liabilities	**(17,865)**	(14,256)	(9,597)	(11,121)	(12,201)
	53,929	46,703	56,329	77,076	94,628
Equity attributable to owners of the Company	**51,640**	45,514	55,689	76,076	94,628
Non-controlling interests	**2,289**	1,189	640	1,000	–
	53,929	46,703	56,329	77,076	94,628