Stream Ideas Group Limited
源想集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8401)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2019
AND CHANGE OF ADDRESS OF HONG KONG BRANCH
SHARE REGISTRAR AND TRANSFER OFFICE

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

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

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

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

ANNUAL RESULTS

The board of directors of the Company (the "**Board**") is pleased to present the consolidated results of the Group for the year ended 31 March 2019 (the "**Relevant Year**"), together with the comparative figures for the year ended 31 March 2018 (the "**Previous Year**"), as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2019

	Note	**2019** **HK$'000**	2018 HK$'000
Revenue	*4*	**28,174**	28,940
Cost of services		**(9,274)**	(9,695)
Gross profit		**18,900**	19,245
Other income	*5*	**916**	315
Selling and distribution costs		**(3,776)**	(2,489)
Administrative and other operating expenses		**(9,661)**	(5,638)
Listing expenses		–	(19,343)
Change in fair value of convertible bond		–	(16,470)
Profit/(loss) before taxation	*6*	**6,379**	(24,380)
Income tax	*7*	**(1,007)**	(1,913)
Profit/(loss) for the year		**5,372**	(26,293)
Other comprehensive income, net of tax			
Item that may be reclassified subsequently to profit or loss (nil of tax effect):			
Foreign currency translation differences for foreign operations		**(134)**	(28)
Total comprehensive income for the year		**5,238**	(26,321)
Earnings/(losses) per share	*8*		
– Basic		**HK$ 0.03**	HK$ (0.22)
– Diluted		**HK$ 0.03**	HK$ (0.22)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

	Note	**2019**	2018
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**126**	62
Intangible assets		**795**	66
Deferred tax assets		**451**	696
		1,372	824
Current assets			
Inventories		**638**	637
Trade and other receivables	*10*	**10,122**	58,712
Contract assets		**1,341**	–
Tax recoverable		**709**	61
Deposits with bank		**51,894**	–
Cash and cash equivalents		**6,423**	13,934
		71,127	73,344
Current liabilities			
Trade and other payables	*11*	**9,654**	17,214
Contract liabilities		**894**	–
Tax payable		**77**	389
		10,625	17,603
Net current assets		**60,502**	55,741
Total assets less current liabilities		**61,874**	56,565
Non-current liabilities			
Deferred tax liabilities		**71**	–
NET ASSETS		**61,803**	56,565
CAPITAL AND RESERVES			
Share capital		**2,000**	2,000
Reserves		**59,803**	54,565
TOTAL EQUITY		**61,803**	56,565

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2019

	Note	Share capital *HK$'000*	Share premium *HK$'000*	Capital reserve *HK$'000*	Exchange reserve *HK$'000*	Retained profits/ (Accumulated losses) *HK$'000*	Total equity *HK$'000*
At 1 April 2017		384	–	–	(255)	8,993	9,122
Changes in equity for the year ended 31 March 2018:							
Loss for the year		–	–	–	–	(26,293)	(26,293)
Other comprehensive income		–	–	–	(28)	–	(28)
Total comprehensive income		–	–	–	(28)	(26,293)	(26,321)
Issuance of shares		–*	–	–	–	–	–*
Arising from the Reorganisation		(383)	–	383	–	–	–
Conversion of convertible bond		–*	31,470	–	–	–	31,470
Capitalisation issue		1,499	(1,499)	–	–	–	–
Dividends declared in respect of the year	*9*	–	–	–	–	(223)	(223)
Share issued under initial public offering, net of share issuance expenses		500	42,017	–	–	–	42,517
At 31 March 2018 and 1 April 2018		2,000	71,988	383	(283)	(17,523)	56,565
Changes in equity for the year ended 31 March 2019:							
Profit for the year		–	–	–	–	5,372	5,372
Other comprehensive income		–	–	–	(134)	–	(134)
Total comprehensive income		–	–	–	(134)	5,372	5,238
At 31 March 2019		**2,000**	**71,988**	**383**	**(417)**	**(12,151)**	**61,803**

* The balances represent amount less than HK$1,000.

NOTES TO THE FINANCIAL INFORMATION

1. GENERAL INFORMATION

Stream Ideas Group Limited was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The registered office of the Company is located at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The principal place of business of the Company is located at Unit 402A, 4/F, Benson Tower, 74 Hung To Road, Kwun Tong, Hong Kong.

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

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The annual results set out in the announcement do not constitute the Group's consolidated financial statements for the year ended 31 March 2019 but are extracted from those financial statements.

The consolidated financial statements for the year ended 31 March 2019 comprise the Group.

Pursuant to a group reorganisation (the "Reorganisation"), the Company became the holding company of companies now comprising the Group on 15 June 2017. The Company's shares were listed on GEM of The Stock Exchange of Hong Kong Limited on 28 March 2018. The companies that took part in the Reorganisation were controlled and owned by Mr. Law Ka Kin ("Mr. Law"), Ms. Cheung Lee ("Ms. Cheung") and Mr. Lee Wing Leung, Garlos ("Mr. Lee") (together, the "Controlling Shareholders") before and after the Reorganisation. The control is not transitory and, consequently, there was a continuation of the risks and benefits to the Controlling Shareholders, therefore the Reorganisation is considered to be a business combination of entities under common control.

Accordingly, the financial statements have been prepared using the merger basis of accounting in accordance with the Accounting Guideline 5 "Merger Accounting Under Common Control Combinations" ("AG5") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as if the Group had always been in existence. The consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement of the Group include the financial performance and cash flows of the Company and its subsidiaries for the consolidated financial statements (or where the Company and its subsidiaries were incorporated/established at a date later than 1 April 2017, for the period from date of incorporation/establishment to 31 March 2018). The consolidated statement of financial position of the Group as at 31 March 2018 have been prepared to present the assets and liabilities of the Company and its subsidiaries as at those dates as if the Reorganisation was completed at the beginning of the consolidation financial statements.

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

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the GEM Listing Rules.

3. CHANGE IN ACCOUNTING POLICIES

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of course, the following developments are relevant to the Group's financial statements:

(i) HKFRS 9, *Financial instruments*

(ii) HKFRS 15, *Revenue from contracts with customers*

(iii) HK(IFRIC) 22, *Foreign currency transactions and advance consideration*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(i) HKFRS 9, *Financial instruments*

HKFRS 9 replaces HKAS 39, *Financial instruments: recognition and measurement*. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 April 2018 in accordance with the transition requirements. There is no significant impact on the Group's financial position and financial result upon initial application at 1 April 2018.

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

a. Classification of financial assets and financial liabilities

HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income ("FVOCI") and at fair value through profit or loss ("FVPL"). These supersede HKAS 39's categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

Under HKFRS 9, the classification for all of the Group's financial assets and financial liabilities measured at amortised cost remain the same. The carrying amounts for all financial assets and financial liabilities as at 1 April 2018 have not been impacted by the initial application of HKFRS 9.

The measurement categories for all financial liabilities remain the same. The carrying amounts for all financial liabilities at 1 April 2018 have not been impacted by the initial application of HKFRS 9.

The Group did not designate or de-designate any financial asset or financial liability at FVPL at 1 April 2018.

b. Credit losses

HKFRS 9 replaces the "incurred loss" model in HKAS 39 with the "expected credit loss" ("ECL") model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the "incurred loss" accounting model in HKAS 39.

The Group applies the new ECL model to the following items:

– financial assets measured at amortised cost (including deposits with bank, cash and cash equivalents and trade and other receivables); and

– contract assets as defined in HKFRS 15.

The adoption of HKFRS 9 does not have any material impact on the financial position and the financial result of the Group.

(ii) HKFRS 15, *Revenue from contracts with customers*

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, *Revenue,* which covered revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction contracts,* which specified the accounting for construction contracts.

HKFRS 15 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

There is no significant impact on the Group's financial position and financial result upon initial application at 1 April 2018. Comparative information continues to be reported under HKASs 11 and 18.

Further details of the nature and effect of the changes on previous accounting policies are set out below:

a. Timing of revenue recognition

Previously, revenue arising from provision of services was generally recognised at a point in time when the risks and rewards of ownership of the services had passed to the customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised good or service is regarded as being transferred over time:

A. When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;

B. When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;

C. When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

The adoption of HKFRS 15 does not have a significant impact on when the Group recognises revenue from online advertising services.

b. Presentation of contract assets and liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

Previously, contract balances relating to online advertising services were presented in the statement of financial position under "trade and other receivables" or "trade and other payables" respectively.

To reflect these changes in presentation, the Group has made reclassification adjustments at 1 April 2018, as a result of the adoption of HKFRS 15.

(iii) HK(IFRIC) 22, *Foreign currency transactions and advance consideration*

This interpretation provides guidance on determining "the date of the transaction" for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) arising from a transaction in which an entity receives or pays advance consideration in a foreign currency.

The interpretation clarifies that "the date of the transaction" is the date on initial recognition of the non-monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the date of the transaction for each payment or receipt should be determined in this way.

The adoption of HK(IFRIC) 22 does not have any material impact on the financial position and the financial result of the Group.

4. REVENUE AND SEGMENT REPORTING

The principal activity of the Group is the provision of online advertising services.

Revenue represents online advertising services income. All of the revenue for the year ended 31 March 2019 is recognised in accordance with HKFRS 15.

The Group has one reportable segment which is the provision of online advertising services. The Group's chief operating decision maker, which has been identified as the board of directors, reviews the consolidated results of the Group for the purposes of resource allocation and performance assessment. Therefore, no additional reportable segment information has been presented.

5. OTHER INCOME

	2019	2018
	HK$'000	*HK$'000*
Interest income	**911**	267
Sundry income	**5**	48
	916	315

6. PROFIT/(LOSS) BEFORE TAXATION

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

	2019	2018
	HK$'000	*HK$'000*
(a) Staff costs (including directors' emoluments)		
Salaries, wages and other benefits	**6,463**	4,786
Contributions to defined contribution retirement plans	**289**	281
	6,752	5,067
(b) Other items		
Depreciation	**48**	33
Amortisation	**101**	2
Impairment loss on trade receivables	**–**	428
Operating lease charges		
– minimum lease payments in respect of leasing of office premises	**428**	331
Auditors' remuneration		
– audit services	**963**	714
– other services	**280**	4,511
Exchange loss/(gain), net	**37**	(41)

7. INCOME TAX

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

	2019	2018
	HK$'000	*HK$'000*
Current tax – Hong Kong		
Provision for the year	**34**	878
Under-provision in respect of prior years	**47**	–
	81	878
Current tax – Other jurisdictions		
Provision for the year	**671**	1,160
Over-provision in respect of prior years	**(29)**	–
	642	1,160
Deferred tax		
Origination and reversal of temporary differences	**284**	(125)
	1,007	1,913

Notes:

(i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in these jurisdictions.

(ii) In March 2018, the Government of the Hong Kong Special Administrative Region ("the Hong Kong Government") introduced a two-tiered profits tax rate regime by enacting the Inland Revenue (Amendment) (No. 3) Ordinance 2018 (the "Ordinance"). Under the two-tiered profits tax rate regime, the first HK$2,000,000 of assessable profits of qualifying corporations is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The Ordinance is effective from the year of assessment 2018-2019.

Accordingly, the provision for Hong Kong Profits Tax for the year ended 31 March 2019 is calculated in accordance with the two-tiered profits tax rate regime (2018: a single tax rate of 16.5% was applied).

The provision for Hong Kong Profits Tax for 2019 has also taken into account a reduction granted by the Hong Kong Government of 75% of the tax payable for the year of assessment 2018-19 subject to a maximum reduction of HK$20,000 for each business (2018: a maximum reduction of HK$30,000 was granted for the year of assessment 2017-18 and was taken into account in calculating the provision for 2018).

(iii) In accordance with the relevant Taiwan rules and regulations, the Taiwan Corporate Income Tax rate applicable to the Group's subsidiary in Taiwan is principally 20% for the year ended 31 March 2019 (2018: 17%).

(iv) The Group's subsidiaries operating in other jurisdictions are subject to income tax at the rates prevailing in the respective jurisdictions.

8. EARNINGS/(LOSSES) PER SHARE

(a) Basic earnings/(losses) per share

The calculation of the basic earnings/(losses) per share is based on the profit/(loss) for the year attributable to equity shareholders of the Company of profit of HK$5,372,000 (2018: loss of HK$26,293,000) and the weighted average of 200,000,000 ordinary shares (2018: weighted average of 117,965,000 ordinary shares) in issue during the year. The weighted average number of ordinary shares in issue during the year ended 31 March 2018 are calculated based on the assumption that 114,286,000 shares were in issue at the beginning of the years, taking into consideration the effect of the capitalisation issue.

Weighted average number of ordinary shares

	2019	2018
	'000	*'000*
Issued ordinary shares adjusted with capitalisation issue	**200,000**	114,286
Effect of conversion of convertible bond	–	3,131
Effect of share issued under initial public offering	–	548
	200,000	117,965

(b) Diluted earnings/(losses) per share

During the year ended 31 March 2019, there was no dilutive potential ordinary shares in issue.

During the year ended 31 March 2018, the conversion of all potential ordinary shares outstanding would have an anti-dilutive effect on the losses per share. Hence, there was no dilutive effect on calculation of the diluted losses per share for the year ended 31 March 2018.

The amount of dilutive earnings/(losses) per share is the same as basic earnings/(losses) per share for the years ended 31 March 2019 and 2018.

9. DIVIDENDS

The directors do not recommend the payment of a dividend for the year ended 31 March 2019.

During the year ended 31 March 2018, an interim dividend of HK$223,000 was declared by the Company to its then shareholders.

10. TRADE AND OTHER RECEIVABLES

	Note	**31 March 2019**	1 April 2018	31 March 2018
		HK$'000	*HK$'000*	*HK$'000*
Trade receivables, net of loss allowance	*(i)*	**8,384**	8,233	9,018
Deposits, prepayments and other receivables		**1,738**	1,067	1,067
Proceeds receivables from initial public offering	*(ii)*	**–**	48,627	48,627
		10,122	57,927	58,712

Note:

(i) Upon the adoption of HKFRS 15, some of the trade receivables, for which the Group's entitlement to the consideration was conditional on achieving certain milestones, were reclassified to "contract assets".

(ii) The amount represents the net proceeds from the initial public offering collected by the bookrunner and the receiving bank on behalf of the Company. The amount was fully settled on 11 April 2018.

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

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

	2019	2018
	HK$'000	*HK$'000*
Within 30 days	**2,590**	3,010
31 to 60 days	**1,907**	1,689
61 to 90 days	**1,304**	1,828
91 to 180 days	**1,989**	2,081
Over 180 days	**594**	410
	8,384	9,018

Trade receivables are normally due within 60 to 130 days from the date of billing.

11. TRADE AND OTHER PAYABLES

	Note	31 March 2019 HK$'000	1 April 2018 HK$'000	31 March 2018 HK$'000
Point provision	*(i)*	**7,517**	6,975	6,975
Other payables and accruals	*(ii)*	**2,137**	9,208	10,239
		9,654	16,183	17,214

Note:

(i) A provision for points accumulated under the advertising campaigns held by the Group or the Group's customers is recognised when members have completed missions related to the advertising campaigns. Points accumulated by the members can be redeemed for the Group's inventories. Provision is therefore made for the best estimate of the cost arising from the redemption of points.

(ii) As a result of the adoption of HKFRS 15, provision for volume sales rebates previously included as "other payables and accruals" is included in contract liabilities.

All trade and other payables are expected to be settled within one year.

12. COMMITMENTS

The Group leases office premises through non-cancellable operating leases. These operating leases do not contain provisions for contingent lease rentals. None of the rental agreements contain escalation provisions that may require higher future rental payments.

At 31 March 2019 and 2018, the Group's total future minimum lease payments under non-cancellable operating leases are payable as follows:

	2019 HK$'000	2018 HK$'000
Within 1 year	**208**	227
After 1 year but within 5 years	**20**	92
	228	319

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Despite the Group's entry into the new markets, which have started to contribute to the Group's revenue, such growth in revenue was partially offset by the decline of revenue derived from Hong Kong and Taiwan, the Group has recorded approximately 2.6% decrease in revenue to approximately HK$28,174,000 (2018: approximately HK$28,940,000) for the Relevant Year.

Gross profit (after reversal of JAG points, i.e. the points which the Group distributes the reward to its members to participate in the Group's advertising campaigns) decreased by approximately 1.8% to approximately HK$18,900,000 (2018: approximately HK$19,245,000) for the Relevant Year. The Group recorded a profit for the Relevant Year of approximately HK$5,372,000 (2018: loss of approximately HK$26,293,000).

The Group principally engages in the provision of online advertising services, which consist of social viral service, engager service and mass blogging service. Its business primarily operates in Hong Kong, Taiwan, Malaysia and Singapore. The Group's services are delivered via its self-developed platforms, which allow clients to match their advertising campaigns or contents with the Group's relevant members based on their demographic details and behaviours, such as consumption patterns of certain products and services and brand preferences.

By geographical market

During the Relevant Year, approximately 51.2% of the Group's revenue (2018: approximately 56.3%) was generated from clients in Hong Kong, while approximately 37.1% (2018: approximately 41.0%) of the Group's revenue was generated from clients in Taiwan. Malaysia and Singapore (new markets) are picking up to contribute approximately 11.7% (2018: approximately 2.7%) of the revenue to the Group.

Hong Kong

During the Relevant Year, the business environment continued to be fluctuating. Revenue decreased from approximately HK$16,290,000 for the Previous Year to approximately HK$14,428,000 for the Relevant Year, representing approximately 11.4% decline. In view of the changing behaviours and preferences of internet users, increasing competition from other online advertising service providers and instability of economical environment, the Group is adjusting the service mix to meet clients' needs.

Taiwan

During the Relevant Year, the operating environment in Taiwan continued to be challenging, mainly attributable to the changing behaviour of internet users, increasing competition from other online advertising service providers and instability of economical environment. The Group is dealing with the change with a shift of focus on service type. With the various challenges encountered, the revenue for the Relevant Year in Taiwan decreased to approximately HK$10,439,000 (2018: approximately HK$11,860,000).

Other Markets

The Group entered the Malaysia and Singapore markets in 2017. During the Relevant Year, the Group continued efforts to build brand awareness in the new markets and enhance membership recruitment and development with member competition events. The Malaysia market has reacted positively to the Group's strong support in member development, driving the Group to surpass the 100,000-member plateau in less than two years of operation and reaching 121,719 members as at 31 March 2019, increasing by 56% comparing with the Previous Year. The Group's Singapore recruitment effort, on the other hand, is behind the Group's expectation with only 10,087 members as at 31 March 2019. The smaller than expected membership base in Singapore has affected the Group's appeal to advertisers in Singapore and as a result, revenue from Singapore operations is below expectation. During the Relevant Year, Malaysia continues to be the core driver behind the revenue growth for other markets, driving revenue for other markets to grow to approximately HK$3,307,000 in the Relevant Year from approximately HK$790,000 in the Previous Year.

PROSPECTS

Although the US-China trade war does not directly impact the online advertising industry, the Group is already seeing the indirect effects in its key operating markets as advertisers are becoming more conservative in advertising spending amidst uncertainties in economic development. Furthermore, the Group anticipates intensifying competition in the online advertising industry as new emerging players are offering social media influencer services that rival with the Group's service offerings. Despite the foreseeable challenges ahead, the Group remains confident in its ability to differentiate itself in the market owing to various competitive advantages, including its strong base of members covering different geographic markets and its history of serving a wide spectrum of reputable clients in various industries. Leveraging good relations with media agencies, the Group can also expect great opportunities such as being recommended to media agencies' extensive client base, which will ensure stable and continuous requests for services. The Group's self-developed platforms have also served as an excellent tool for realising clients' performance targets while driving business growth. Looking ahead, the Group will replicate its expansion success in Malaysia and apply the experience to fuel expansion projects across Southeast Asia.

To accomplish these objectives, the Group will also recruit more talents, especially for the business development segment, to strengthen its workforce. This will enable the Group to better cater for the ever-changing needs of various industries, as well as those of existing and potential clients. In addition, the Group will consider new opportunities, such as sponsoring advertising-related awards to reach out more potential clients so as to enhance the Group's overall profitability. Furthermore, the Group will focus on enriching their member base from different segments such as age group, interest and lifestyle to enhance the diversity of the Group's membership base and thereby attract more clients.

With years of experience, well-established reputation, and a first-mover advantage, the Group will leverage such strengths to reinforce its leading industry position. At the same time, by further developing these attributes, the Group will remain true to its vision of becoming the preferred online marketing partner for advertising agencies and brand owners in realising their pursuits.

FINANCIAL REVIEW

Revenue

During the Relevant Year, the Group recorded a decrease of approximately 2.6% in revenue to approximately HK$28,174,000 as compared with that for the Previous Year, primarily attributable to decrease in sales in Hong Kong and Taiwan.

Selling and Distribution Costs

Selling and distribution costs of the Group increased by approximately 51.7% from approximately HK$2,489,000 for the Previous Year to approximately HK$3,776,000 for the Relevant Year. Selling and distribution costs primarily consist of advertising and promotion expenses and staff costs. The increase was mainly attributable to increase of headcount and promotional expenses on other media platforms.

Administrative and Other Operating Expenses

Administrative and other operating expenses of the Group increased by approximately 71.4% from approximately HK$5,638,000 for the Previous Year to approximately HK$9,661,000 for the Relevant Year. Administrative and other operating expenses mainly consist of staff costs, professional fees, office supplies and stationary and others. The increase was mainly attributable to the increase in staff salary, directors' emoluments, auditors' remuneration and legal and professional fees.

Liquidity and Financial Resources

As at 31 March 2019, the Group had total assets of approximately HK$72,499,000 (2018: approximately HK$74,168,000), which is financed by total liabilities and shareholders' equity (comprising share capital and reserves) of approximately HK$10,696,000 (2018: approximately HK$17,603,000) and approximately HK$61,803,000 (2018: approximately HK$56,565,000) respectively. The current ratio, being the ratio of current assets to current liabilities, as at 31 March 2019 was 6.7 times (2018: 4.2 times).

Commitments

The contractual commitments of the Group were primarily related to the leases of office premises, amount to approximately HK$228,000 as at 31 March 2019 (2018: approximately HK$319,000).

Capital Structure

The shares of the Company were listed on GEM of the Stock Exchange on 28 March 2018 (the "Listing Date") and 50,000,000 new ordinary shares offered by the Company at par value of HK$0.01 each for cash consideration of HK$1.05 each were issued. The Company's total number of issued shares was 200,000,000 at HK$0.01 each. There has been no change in capital structure of the Company since the Listing Date.

Foreign Exchange Exposure

The functional currency and reporting currency for the Company and its subsidiaries is Hong Kong dollar, except that the functional currencies of certain subsidiaries are New Taiwan dollar, Malaysian Ringgit and Singapore dollar, therefore, during the Relevant Year, the Group had not exposed to any significant currency risk.

Contingent Liabilities

As at 31 March 2019, there were no significant contingent liabilities for the Group.

Employees and Remuneration Policies

As at 31 March 2019, the Group employed a total of 30 employees (2018: 24 employees). The staff costs of our Group (including directors' remuneration, employees' salaries, wages, other benefits and contribution to defined contribution retirement plan) for the Relevant Year were approximately HK$6,752,000 (2018: HK$5,067,000).

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

Share Option Scheme

The Company's share option scheme (the "Share Option Scheme") was approved by a resolution of the Company's shareholders passed on 7 March 2018. The principal terms of the Share Option Scheme, a summary of which is set out in Appendix IV to the prospectus of the Company dated 16 March 2018 (the "Prospectus"), are in compliance with the provisions under Chapter 23 of the GEM Listing Rules.

As of 31 March 2019 and up to the date of this announcement, there was no options granted, exercised, lapsed or cancelled under the Share Option Scheme. As of 31 March 2019 and up to the date of this announcement, there was no outstanding share option not yet exercised under the Share Option Scheme.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the principles and code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix 15 to the GEM Listing Rules as the basis of the Company's corporate governance practices.

The Board is of the view that throughout the year under review, the Company has complied with all the applicable code provisions ("CP") as set out in the CG Code which is adopted as its own code to govern its corporate governance practices with the exception of the deviations set out below.

Under the Code Provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Code Provisions A.2.2 to A.2.9 further stipulates the roles of chairman for good corporate governance practices. As the Company does not have any director with the title of "chairman" and "chief executive officer", the Company has deviated from the aforesaid Code Provisions.

The roles of chairman and chief executive officer have been performed by three of the executive Directors, Ms. Cheung Lee, Mr. Law Ka Kin and Mr. Lee Wing Leung Garlos collectively. Since these executive Directors are the founders of the Group and have in-depth knowledge about the management as well as the business operations of the Group, the Board believes that vesting the roles of chairman and chief executive officer in these executive Directors allows for efficient business planning and decisions. The Board is also of the opinion that the following matters can still be carried out properly under the current structure:–

(i) all directors are properly briefed on issues arising at board meetings (CP A.2.2);

(ii) all directors receive accurate and adequate information in a timely manner (CP A.2.3);

(iii) establishment of corporate governance practice and procedures (CP A.2.5);

(iv) effective communication with shareholders (CP A.2.8); and

(v) full and active contribution of all directors to the affairs of the Board and constructive relations between executive and non-executive directors (CP A.2.6 and A.2.9).

The joint company secretaries have been delegated to draw up agenda for board meetings, taking into account any matters proposed by other directors (CP A.2.4).

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

As at 31 March 2019, the interests and short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance ("SFO", Cap 571 Laws of Hong Kong)) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in ordinary shares of the Company:

Name	**Capacity/ Nature of interest**	**Number of Shares held**	**Approximate percentage of issued share capital***
Ms. Jenny Cheung *(Note 1)*	Interest of a controlled corporation; interest held jointly with another person	114,280,000	57.14%
Mr. Anakin Law *(Note 1)*	Interest of a controlled corporation; interest held jointly with another person	114,280,000	57.14%
Mr. Garlos Lee *(Note 1)*	Interest of a controlled corporation; interest held jointly with another person	114,280,000	57.14%
Mr. Lin Hung Yuan *(Note 2)*	Interest of a controlled corporation	34,720,000	17.36%

* The percentage represents the number of ordinary shares divided by the number of the Company's issued shares as at 31 March 2019. (i.e. 200,000,000 Shares)

Notes:

1. Ms. Jenny Cheung, Mr. Anakin Law and Mr. Garlos Lee beneficially owns 33.33%, 33.33% and 33.33% of the issued share capital of JAG United Company Limited respectively. By virtue of the SFO, each of Ms. Jenny Cheung, Mr. Anakin Law and Mr. Garlos Lee is deemed to be interested in such Shares held by JAG United Company Limited.

2. Mr. Lin Hung Yuan beneficially owns the entire issued shares of VMI Capital Group Limited.

Save as disclosed above, as at 31 March 2019, none of the Directors of the Company had any interest or short position in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which are required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or which shall be, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY

As at 31 March 2019, to the knowledge of the Directors, the following persons/entities (other than the Directors or chief executive of the Company) who had or were deemed to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long position in the shares:

Name	Capacity/ Nature of interest	Number of Shares held	Approximate percentage of issued share capital*
JAG United Company Limited *(Note 1)*	Beneficial interest	114,280,000	57.14%
Mr. Szeto Man Wa *(Note 2)*	Interest of spouse	114,280,000	57.14%
Ms. Leung Kwok Mei *(Note 3)*	Interest of spouse	114,280,000	57.14%
Ms. Ng Ka Po *(Note 4)*	Interest of spouse	114,280,000	57.14%
VMI Capital Group Limited *(Note 5)*	Investment Manager	34,720,000	17.36%
VMI Mega Growth Fund SPC *(Note 5)*	Beneficial interest	34,720,000	17.36%
Ms. Zhang Tian *(Note 6)*	Interest of spouse	34,720,000	17.36%

* The percentage represents the number of ordinary shares divided by the number of the Company's issued shares as at 31 March 2019. (i.e. 200,000,000 Shares)

Notes:

1. Ms. Jenny Cheung, Mr. Anakin Law and Mr. Garlos Lee beneficially owns 33.33%, 33.33% and 33.33% of the issued share capital of JAG United Company Limited respectively. By virtue of the SFO, each of Ms. Jenny Cheung, Mr. Anakin Law and Mr. Garlos Lee is deemed to be interested in such Shares held by JAG United Company Limited.

2. Mr. Szeto Man Wa was deemed to be interested in 114,280,000 shares of the Company through the interest of his spouse, Ms. Jenny Cheung.

3. Ms. Leung Kwok Mei was deemed to be interested in 114,280,000 shares of the Company through the interest of her spouse, Mr. Anakin Law.

4. Ms. Ng Ka Po was deemed to be interested in 114,280,000 shares of the Company through the interest of her spouse, Mr. Garlos Lee.

5. These shares were held by VMI Mega Growth Fund SPC, a segregated portfolio company and 100% of its management shares is held by VMI Capital Group Limited. Mr. Lin Hung Yuan beneficially owns the entire issued shares of VMI Capital Group Limited.

6. Ms. Zhang Tian was deemed to be interested in 34,720,000 shares of the Company through the interest of her spouse, Mr. Lin Hung Yuan.

Save as disclosed above, as at 31 March 2019, the Directors are not aware of any other persons/entities (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Relevant Year and up to the date of this announcement, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the required standards set out in Rules 5.48 to 5.67 of the GEM Listing Rules regarding their securities transaction throughout the year ended 31 March 2019.

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

EVENTS AFTER THE REPORTING DATE

There is no significant event subsequent to 31 March 2019 which would materially affect the Group's operating and financial performance.

DIVIDEND

The directors do not recommend the payment of a final dividend for the year ended 31 March 2019 (2018: Nil).

AUDIT COMMITTEE

The Audit Committee comprises all independent non-executive Directors, namely, Mr. Ho Ho Tung Armen, Mr. Fenn David and Mr. Kwan Chi Hong. The chairman of the Audit Committee is Mr. Ho Ho Tung Armen, an independent non-executive Director, who holds the appropriate professional qualifications as required under Rules 5.05(2) and 5.28 of the GEM Listing Rules.

The Audit Committee has reviewed the consolidated annual financial results and reports and significant issues on the financial reporting, operational and compliance controls, the effectiveness of the risk management and internal control systems and internal audit function for the year ended 31 March 2019.

ANNUAL GENERAL MEETING (THE "AGM")

The forthcoming AGM of the Company will be held on Thursday, 12 September 2019 at 9:00 a.m. A notice convening the AGM will be published and despatched to the shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

For attending and voting at the AGM

The register of members of the Company will be closed from Monday, 9 September 2019 to Thursday, 12 September 2019 (both days inclusive, 4 business days in total) during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (with effect from 11 July 2019) for registration not later than 4:30 p.m. on Friday, 6 September 2019.

CHANGE OF ADDRESS OF HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

With effect from 11 July 2019, the Hong Kong Branch Share Registrar and Transfer Office of the Company, Tricor Investor Services Limited (the "Branch Share Registrar"), will change its address from Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong to Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

All telephone and facsimile numbers of the Branch Share Registrar will remain unchanged.

SCOPE OF WORK OF KPMG

The financial figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the related notes thereto for the year ended 31 March 2019 as set out in the preliminary announcement have been compared by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's draft consolidated financial statements for the year and the amounts were found to be in agreement. The work performed by KPMG in this respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the auditor.

PUBLICATION

The annual results announcement for the year ended 31 March 2019 is available for viewing on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.stream-ideas.com) respectively. The annual report of the Company for the year ended 31 March 2019 will be despatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By Order of the Board
Stream Ideas Group Limited
Law Ka Kin
Executive Director

Hong Kong, 24 June 2019

As at the date of this announcement, the Board of Directors comprises four executive Directors, namely Ms. Cheung Lee, Mr. Law Ka Kin, Mr. Lee Wing Leung Garlos and Mr. Leung Wai Lun; one non-executive Director, namely Mr. Lin Hung Yuan; and three independent non-executive Directors, namely Mr. Kwan Chi Hong, Mr. Fenn David and Mr. Ho Ho Tung Armen.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the Company's website at www.stream-ideas.com.