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BYTE META

BYTE METAVERSE HOLDINGS LIMITED

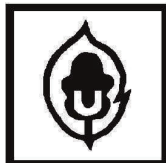
比特元宇宙控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8645)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



Upbest Securities Company Limited

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 12 March 2025 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best effort basis currently expected to be not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 40,000,000 Placing Shares at the Placing Price of HK\$0.41 per Placing Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum of 40,000,000 Placing Shares represent (i) approximately 5.56% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 5.26% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares.

The Placing Price of HK\$0.41 per Placing Share represents: (i) a discount of approximately 19.61% to the closing price of HK\$0.510 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 18.97% to the average closing price of approximately HK\$0.506 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Shares will be allotted and issued pursuant to the General Mandate and is not subject to further Shareholders' approval. An application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$16.4 million. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing of approximately HK\$0.4 million, are estimated to be approximately HK\$16.0 million. The Company intends to apply the entire net proceeds of approximately HK\$16.0 million from the Placing for the funds for application of the licenses regarding the operation of virtual assets trading platform.

Shareholders and potential investors of the Company should note that completion of the Placing is subject to the fulfilment of the conditions set out in the Placing Agreement. The Placing may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 12 March 2025 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best effort basis not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 40,000,000 Placing Shares at the Placing Price of HK\$0.41 per Placing Share. Details of the Placing Agreement are set out below:

The Placing Agreement

Date: 12 March 2025 (after trading hours)

Parties: (i) the Company, as issuer; and
(ii) Upbest Securities Company Limited, as placing agent.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties. As at the date of this announcement, the Placing Agent is not interested in any Shares.

Pursuant to the terms of the Placing Agreement, the Placing Agent will receive a placing commission of 2.0% of the amount which is equal to the Placing Price multiplied by the number of Placing Shares actually placed by the Placing Agent. The placing commission in respect of the Placing was negotiated on arm's length basis between the Company and the Placing Agent and was determined with reference to, among other things, the prevailing commission rate charged by other placing agents and the price performance of the Shares.

The Directors consider that the placing commission in respect of the Placing are fair and reasonable based on the current market conditions.

Placees

The Placing Shares will be placed to currently expected to be not less than six Placees who shall be professional, institutional or other investors independent of and not connected with the Company, the connected persons of the Company and their respective associates, and who and whose ultimate beneficial owners are Independent Third Parties. Upon completion of the Placing, it is expected that none of the Placees will become a substantial Shareholder. If any of the Placees will become a substantial Shareholder after completion of the Placing, further announcement will be made by the Company.

Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum of 40,000,000 Placing Shares represent (i) approximately 5.56% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 5.26% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares.

The aggregate nominal value of the maximum of 40,000,000 Placing Shares is HK\$400,000.

Ranking of the Placing Shares

The Placing Shares, when allotted and issued, will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.

Placing Price

The Placing Price of HK\$0.41 per Placing Share represents:

- (i) a discount of approximately 19.61% to the closing price of HK\$0.510 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 18.97% to the average closing price of approximately HK\$0.506 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The net Placing Price (after deducting the costs and expenses of the Placing) is approximately HK\$0.40 per Placing Share. Based on a nominal value of HK\$0.01 per Share, the aggregate nominal value of the Placing Shares is HK\$400,000.

The Placing Price was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market price and the recent trading performance of the Shares. The Directors consider that the Placing Price and the terms of the Placing Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Conditions of the Placing

The Placing is conditional upon the fulfilment of the following conditions:

- (i) the GEM Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Placing Shares; and
- (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained.

In the event that any of the above conditions is not fulfilled on or before 28 March 2025 (or such other date as may be agreed between the parties to the Placing Agreement in writing), all rights, obligations and liabilities of the parties to the Placing Agreement shall cease and terminate and neither of the parties thereto shall have any claim against the other save for any antecedent breach under the Placing Agreement prior to such termination.

Completion of the Placing

Completion of the Placing shall take place on a date falling within five Business Days after the day on which all the conditions set out in the Placing Agreement have been fulfilled (or such other date as may be agreed between the parties to the Placing Agreement in writing).

Application for listing

An application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

General Mandate to issue the Placing Shares

The Placing Shares will be allotted and issued pursuant to the General Mandate. The maximum number of Shares that can be issued under the General Mandate is 144,000,000 Shares. As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. The General Mandate is sufficient for the allotment and issue of all the Placing Shares. As such, the issue of the Placing Shares is not subject to further Shareholders' approval.

Termination

The Placing Agent may terminate the Placing Agreement without any liability to the Company save for antecedent breach under the Placing Agreement prior to such termination, by notice in writing given to the Company at any time prior to 8:00 a.m. on the date of completion of the Placing upon the occurrence of the following events which, in the absolute opinion of the Placing Agent, has or may have an adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole or the success of the Placing or the full placement of all of the Placing Shares or has or may otherwise make it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement if there develops, occurs or comes into force:

- (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or
- (ii) the imposition of any moratorium, suspension (for more than seven (7) trading days) or restriction on trading in the securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's absolute opinion, would adversely affect the success of the Placing; or
- (iii) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's absolute opinion any such new law or change may adversely affect the business or financial prospects of the Group and/or the success of the Placing; or

- (iv) any litigation or claim being instigated against any member of the Group, which has or may have an adverse effect on the business or financial position of the Group and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or
- (v) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or
- (vi) any breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the date of completion of the Placing which if had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect or there has been a breach by the Company of any other provision of the Placing Agreement; or
- (vii) there is any material change (whether or not forming part of a series of changes) in market conditions which in the absolute opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

If notice is given pursuant to the above, the Placing Agreement shall terminate and be of no further effect and neither party shall be under any liability to the other party in respect of the Placing Agreement save for any antecedent breach under the Placing Agreement prior to such termination.

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS

The Group is principally engaged in rendering of (i) network support services which mainly encompass network infrastructure design and hardware installation, network management and security services; (ii) network connectivity services that focus on providing intranet and internet connectivity solutions and value-added services; (iii) e-commerce; and (iv) online game intellectual property authorisation management services.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$16.4 million. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing of approximately HK\$0.4 million, are estimated to be approximately HK\$16.0 million, representing a net issue price of approximately HK\$0.40 per Placing Share. The Company intends to apply the entire net proceeds of approximately HK\$16.0 million from the Placing for the funds for application of the licenses regarding the operation of virtual assets trading platform.

As stated in the Announcement and the Annual Report 2023/2024, Bitcoin World Technology had submitted the relevant applications for the requisite licenses to the SFC to carry on Type 1 (dealing in securities) and Type 7 (providing automated trading services) regulated activities in Hong Kong under the SFO and to carry on the business of operating a virtual asset exchange (virtual asset service) as defined under section 53ZR and Schedule 3B to the AMLO. Further, as stated in the Interim Report

2024/2025, although the application was temporarily returned in November 2024 after the initial review by the SFC, Bitcoin World Technology will further apply and invest sufficient resources based on the opinions raised by the SFC during the application review process, with a view to fulfill the acceptance requirements promptly.

In view of the above, the Directors consider that the Placing represents an opportunity to raise additional capital for the application for the licenses regarding the operation of virtual assets trading platform as well as development of the blockchain technology services of the Group, which will enable the Group to strengthen its competitive advantage and improve its operational efficiency.

The Directors has considered other alternative fund-raising methods such as debt financing, rights issue or open offer. The Directors considered that debt financing may incur interest burden on the Group and may be subject to lengthy due diligence and negotiations with the banks with reference to the Group's financial position and the then financial market condition and it may be relatively uncertain and time-consuming. On the other hand, rights issue or open offer may also involve relatively substantial time and cost to complete as compared to the equity financing through issue of the new Shares under the General Mandate.

The Directors consider that the Placing Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Placing Agent and the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

CHANGES IN SHAREHOLDING STRUCTURE

The changes in the shareholding structure of the Company as a result of the Placing (assuming that there are no other changes in the issued share capital of the Company from the date of this announcement up to and immediately after completion of the Placing) are as follows:

	As at the date of this announcement		Immediately after completion of the Placing (assuming all the Placing Shares are fully placed)	
	<i>Number of Shares</i>	<i>Approx.%</i>	<i>Number of Shares</i>	<i>Approx.%</i>
Thrive Harvest Limited (“ Thrive Harvest ”) (Note)	303,864,000	42.20	303,864,000	39.98
Worldtone Riches Investment Limited (“ Worldtone Riches ”) (Note)	112,500,000	15.63	112,500,000	14.80
The Placees	—	—	40,000,000	5.26
Other public Shareholders	303,636,000	42.17	303,636,000	39.96
Total	720,000,000	100.00	760,000,000	100.00

Note: As at the date of this announcement, Mr. Yu Decai (“**Mr. Yu**”), the executive Director, Chairman and Chief Executive Officer of the Company, beneficially owns the entire issued shares of Thrive Harvest and Worldtone Riches. Therefore, Mr. Yu is deemed, or taken to be, interested in all the Shares held by Thrive Harvest and Worldtone Riches for the purpose of the SFO.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS

On 11 April 2024, the Company announced the Previous Placing of up to 120,000,000 new Shares to placees at the placing price of HK\$0.218 per placing Share, which was completed on 11 April 2024. The net proceeds from the Previous Placing (after deduction of commission and other expenses of the Previous Placing including, among others, the professional fees) amounted to approximately HK\$25.6 million. As at the date of this announcement, approximately HK\$2.5 million of the proceeds have been utilised, details of which are set out below:

	Planned use of the Net Proceeds from the Placing HK\$'000 (Approximate)	Actual amount utilised up to the date of this announcement HK\$'000 (Approximate)	Unutilised Net Proceeds from the Previous Placing up to the date of this announcement HK\$'000 (Approximate)	Expected timeline for utilising the remaining balance of net proceeds
Funds for application of the licenses regarding the operation of virtual assets trading platform	15,600	482	15,118	March 2026
General working capital of the Group	10,024	1,986	8,038	March 2026
	25,624	2,468	23,156	

Save as disclosed above, the Company did not conduct any fund raising activities involving the issue of equity securities within the 12 months immediately prior to the date of this announcement.

Shareholders and potential investors of the Company should note that completion of the Placing is subject to the fulfilment of the conditions set out in the Placing Agreement. The Placing may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“AFRC”	the Accounting and Financial Reporting Council of Hong Kong
“AMLO”	the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong), as amended, modified and supplemented from time to time
“Announcement”	the announcement of the Company dated 22 March 2024 in relation to, among others, the latest business development of the Group
“Annual Report 2023/2024”	the annual report of the Company published on 27 September 2024 in relation to, among others, the financial results of the Group for the year ended 30 June 2024
“associate(s)”	has the meaning ascribed to it in the GEM Listing Rules
“Bitcoin World Technology”	Bitcoin World Technology Limited, an indirect wholly owned subsidiary of the Company
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 5:00 p.m. or extreme weather condition is announced) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Byte Metaverse Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM (stock code: 8645)
“connected person(s)”	has the meaning as ascribed to it in the GEM Listing Rules
“Director(s)”	director(s) of the Company
“GEM Listing Committee”	has the meaning ascribed to it under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM operated by the Stock Exchange

“General Mandate”	the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the annual general meeting of the Company held on 15 November 2024 to allot, issue and deal with new Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing of such resolution, pursuant to which a maximum of 144,000,000 new Shares may fall to be allotted and issued as at the date of this announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s) (if applicable) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons
“Interim Report 2024/2025”	the interim report of the Company published on 27 February 2025 in relation to, among others, the financial results of the Group for the six months ended 31 December 2024
“Placee(s)”	any person or entity procured by the Placing Agent or its agent(s) to subscribe for any Placing Shares pursuant to the Placing Agreement
“Placing”	the placing, on a best effort basis, of up to 40,000,000 Placing Shares on and subject to the terms and condition set out in the Placing Agreement
“Placing Agent”	Upbest Securities Company Limited, a corporation licensed to carry on type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO
“Placing Agreement”	the conditional placing agreement dated 12 March 2025 and entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.41 per Placing Share (exclusive of any brokerage, Securities and Futures Commission transaction levy, AFRC transaction levy and Stock Exchange trading fee as may be payable)

“Placing Share(s)”	a total of up to 40,000,000 new Shares to be placed pursuant to the Placing Agreement and to be issued under the General Mandate, each a “Placing Share”
“Previous Placing”	the placing of 120,000,000 new Shares which was completed on 11 April 2024, details of which are disclosed in the announcements of the Company dated 25 March 2024 and 11 April 2024, respectively
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, modified and supplemented from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Byte Metaverse Holdings Limited
Yu Decai

Executive Director, Chairman and Chief Executive Officer

Hong Kong, 12 March 2025

As at the date of this announcement, the Board comprises Mr. Yu Decai and Mr. Hu Mingdai as Executive Directors; Ms. Jin Yangyang as Non-executive Director; and Dr. Tsoi Chi Chuen Cheney, Mr. Ng Der Sian and Ms. Zheng Li Ping as Independent Non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this 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.

This announcement will remain on the Stock Exchange website at www.hkexnews.hk on the “Latest Listed Company Information” page for at least seven days from the date of its publication. This announcement will also be published on the Company’s website at byte-metaverse.com.