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Web3 Meta Limited

瓦普思瑞元宇宙有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8093)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2025

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 Web3 Meta 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. 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.

FINANCIAL RESULTS

The board of Directors (the “Board”) of the Company hereby announce the audited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 30 June 2025, together with the comparative figures for the year ended 30 June 2024 as follows, which are presented in Hong Kong dollars (“HK\$”):

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

	<i>Notes</i>	2025 HK\$’000	2024 <i>HK\$’000</i>
Revenue	4	44,450	124,541
Cost of goods sold and services		<u>(43,148)</u>	<u>(136,911)</u>
Gross profit/(loss)		1,302	(12,370)
Other income, gains and losses, net	5	(14,392)	39,084
Selling and distribution expenses		(1,110)	(864)
Administrative expenses		(6,046)	(8,135)
Finance costs	6	<u>(30)</u>	<u>(1,283)</u>
(Loss)/profit before tax		(20,276)	16,432
Income tax (expense)/credit	7	<u>(24)</u>	<u>1,103</u>
(Loss)/profit for the year attributable to owners of the Company		<u>(20,300)</u>	<u>17,535</u>

		2025	2024
	Notes	HK\$'000	HK\$'000
Other comprehensive (expense)/income:			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences arising on translating foreign operations		<u>(2,950)</u>	<u>6,351</u>
Other comprehensive (expense)/income for the year attributable to owners of the Company		<u>(2,950)</u>	<u>6,351</u>
Total comprehensive (expense)/income for the year attributable to owners of the Company		<u>(23,250)</u>	<u>23,886</u>
(Loss)/earnings per share	9		
Basic and diluted (<i>HK cents</i>)		<u>(2.76)</u>	<u>3.06</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

		2025	2024
	<i>Notes</i>	HK\$'000	HK\$'000
Non-current assets			
Property, plant and equipment		–	6
Right-of-use assets		195	–
Goodwill		–	–
		<hr/>	<hr/>
Total non-current assets		195	6
		<hr/>	<hr/>
Current assets			
Trade receivables	<i>10</i>	21,811	5,655
Prepayments and other receivables		79,281	87,306
Cryptocurrency		–	10
Restricted bank deposits		–	101
Bank balances and cash		8,104	4,146
		<hr/>	<hr/>
Total current assets		109,196	97,218
		<hr/>	<hr/>
Current liabilities			
Trade payables	<i>11</i>	24,569	6,577
Accruals and other payables		27,707	23,248
Borrowings		7,402	1,856
Loans from a shareholder and director		114	705
Loan from a shareholder		–	716
Loans from directors		1,816	219
Loans from an ultimate beneficial owner		1,793	4,508
Lease liabilities		139	–
Current tax liabilities		25	–
		<hr/>	<hr/>
Total current liabilities		63,565	37,829
		<hr/>	<hr/>
Net current assets		45,631	59,389
		<hr/>	<hr/>
Total assets less current liabilities		45,826	59,395
		<hr/>	<hr/>

		2025	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities			
Lease liabilities		<u>60</u>	<u>—</u>
Total non-current liabilities		<u>60</u>	<u>—</u>
Net assets		<u>45,766</u>	<u>59,395</u>
Capital and reserves			
Share capital	12	8,246	6,872
Reserves		<u>37,520</u>	<u>52,523</u>
TOTAL EQUITY		<u>45,766</u>	<u>59,395</u>

NOTES

1. GENERAL INFORMATION

Web3 Meta Limited (the “Company”) was incorporated in the Cayman Islands with limited liability. The address of the registered office of the Company is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is 12/F., Teng Fuh Commercial Building, No. 331–333 Queen’s Road Central, Hong Kong. The Company’s shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company is an investment holding company. The principal activities of the Company’s subsidiaries are provision of internet advertising services and digitalization empowerment platform business.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

The trading of shares of the Company on the Stock Exchange suspended as from 4 October 2021 and resumed on 26 September 2022.

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

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Going concern basis

In preparing the consolidated financial statements, the directors of the Company have considered the future liquidity of the Group. The Group had a net cash used in operating activities of approximately HK\$9,354,000 for the year ended 30 June 2025 and had borrowings and loans from directors, a shareholder and director and an ultimate beneficial owner repayable on demand of approximately HK\$7,402,000, HK\$1,816,000, HK\$114,000 and HK\$1,793,000 respectively, while the Group had total bank balances and cash amounting to approximately HK\$8,104,000 as at that date. Notwithstanding the above results, the consolidated financial statements have been prepared on a going concern basis, the validity of the going concern basis is dependent upon the success of the Group’s future operations, its ability to generate adequate cash flows in order to meet its obligations as and when fall due and its ability to refinance or restructure its borrowings such that the Group can meet its future working capital and financing requirements.

Also, the directors of the Company are of the opinion that the Group will be able to finance its future financing requirements and working capital based on the following considerations:

- the directors of the Company have carried out a detail review of the working capital forecast of the Group for not less than twelve months from the year end date, which took into account the projected future working capital of the Group;
- to obtain additional funds by equity financing and long-term debt financing to finance the Group's working capital and the repayment of existing debts when they fall due;
- to negotiate with the lenders of the other borrowings and creditors for the extension of repayments of those borrowings, trade payables and accruals and other payables to a date when the Group has adequate working capital to serve the repayments;
- to formulate and closely monitor business strategy for the Group to generate cash flows from its existing and new business operations;
- the shareholder and director, the directors and the ultimate beneficial owner of the Company have agreed not call for any repayment of loans amounting approximately HK\$114,000, HK\$1,816,000 and HK\$1,793,000 respectively, until the Group is in a financial position to do so.

In view of the above, the directors of the Company are of the opinion that there will be sufficient financial resources available to the Group to enable it to meet its liabilities as and when they fall due and to continue as a going concern. Accordingly, the directors of the Company have prepared the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the directors of the Company will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows in the near future.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in these consolidated financial statements.

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

New and amendments to HKFRSs that are mandatory effective for the year

In the current year, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are effective for the Group’s financial year beginning on 1 July 2024:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and 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

The application of the new and amendments to HKFRSs in the current year has had no material effect on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs issued but not yet effective

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

Amendments to HKAS 21	Lack of Exchangeability ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11 ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
HKFRS 18	Presentation and disclosure in Financial Statements ³
HKFRS 19	Subsidiaries without Public Accountability: Disclosures 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 period beginning on or after a date to be determined.

The directors of the Company anticipate that the application of new and amendments to HKFRSs will have no material impact on the results and the financial position of the Group.

4. REVENUE

The Group's reportable segments are as follows:

Internet advertising services	—	provision of internet advertising services which included promotion of online game and etc.
Digitalization empowerment platform business	—	provision of digitalization consulting and construction services; sales of digitalization products

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

Disaggregation of revenue from contracts with customers by major products or service line for the year is as follows:

	2025 HK\$'000	2024 HK\$'000
Internet advertising services	57	124,339
Digitalization empowerment platform business	44,393	202
	<u>44,450</u>	<u>124,541</u>

Disaggregation of revenue from contracts with customers by timing of recognition for the year is as follows:

	2025 HK\$'000	2024 HK\$'000
At a point in time	44,450	96,122
Over time	—	28,419
	<u>44,450</u>	<u>124,541</u>

5. OTHER INCOME, GAINS AND LOSSES, NET

	2025 HK\$'000	2024 HK\$'000
Interest income on bank deposits	1	37
Gain on disposal of subsidiaries	18,664	1,651
Gain on disposal of assets and liabilities associated with assets classified as held-for-sale	—	2,321
Impairment loss recognised on trade receivables, prepayments and other receivables	(37,314)	(5,103)
Reversal of impairment loss recognised on trade receivables, prepayments and other receivables	1,479	40,053
Sundry income	2	344
Exchange gains/(losses), net	2,776	(219)
	<u>(14,392)</u>	<u>39,084</u>

6. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest on other borrowings	–	26
Interest on loan from a shareholder and director	24	704
Interest on loan from a shareholder	–	550
Interest on lease liabilities	6	3
	<u>30</u>	<u>1,283</u>

7. INCOME TAX EXPENSE/(CREDIT)

	2025 HK\$'000	2024 HK\$'000
PRC enterprise income tax		
— current taxation	24	–
Hong Kong profits tax		
— over provision in prior years	–	(1,103)
	<u>24</u>	<u>(1,103)</u>

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI for both years.

Under the two-tiered Hong Kong profits tax regime, the first HK\$2 million of assessable profits of qualifying corporations will be taxed at 8.25% with effect from the year assessment 2018/2019. Profits above HK\$2 million will continue to be subject to the tax rate of 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the rate of 16.5%.

PRC enterprise income tax (“EIT”) has been provided at the tax rate of 25% (2024: 25%).

Taxation for other jurisdictions are calculated at the applicable rates prevailing at where the group entities operate.

8. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended 30 June 2025, nor has any dividend been proposed since the end of the reporting period (2024: HK\$ Nil).

9. (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share is based on the following data:

	2025 HK\$'000	2024 HK\$'000
(Loss)/profit for the purpose of calculating basic (loss)/earnings per share		
(Loss)/profit for the year attributable to owners of the Company	<u>(20,300)</u>	<u>17,535</u>
	2025 '000	2024 '000
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	<u>736,528</u>	<u>573,596</u>

No diluted loss per share for the year ended 30 June 2025 and diluted earnings per share for the year ended 30 June 2024 were presented as there were no potential ordinary shares in issue for both years.

10. TRADE RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables	26,171	7,746
Less: Allowance for impairment loss	<u>(4,360)</u>	<u>(2,091)</u>
	<u>21,811</u>	<u>5,655</u>

The Group's trading terms with customers are mainly on credit. The Group generally allows a credit period of not more than 60 days for its customers. The Group does not hold any collateral over these balances.

Before accepting any new customer, the management assesses the potential customer's credit quality and defines credit limits by customer.

The ageing analysis of trade receivables (net of allowances), based on dates on which revenue was recognised, and net of allowance, is as follows:

	2025 HK\$'000	2024 <i>HK\$'000</i>
Within 30 days	17,251	–
31 to 60 days	4,560	–
61 to 90 days	–	3
91 to 180 days	–	846
181 to 365 days	–	4,806
	<u>21,811</u>	<u>5,655</u>

As at 30 June 2025, allowances were made for estimated irrecoverable trade receivables of approximately HK\$4,360,000 (2024: HK\$2,091,000).

11. TRADE PAYABLES

	2025 HK\$'000	2024 <i>HK\$'000</i>
Trade payables	<u>24,569</u>	<u>6,577</u>

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

	2025 HK\$'000	2024 <i>HK\$'000</i>
0–30 days	21,108	4
31–60 days	–	–
61–90 days	–	–
91–180 days	–	–
Over 180 days	<u>3,461</u>	<u>6,573</u>
	<u>24,569</u>	<u>6,577</u>

The normal credit period for purchase goods ranged from 0 to 90 days and certain suppliers grant longer credit period on a case-by-case basis.

12. SHARE CAPITAL

	2025 HK\$'000	2024 HK\$'000
Authorised:		
4,000,000,000 ordinary shares of HK\$0.01 each	<u>40,000</u>	<u>40,000</u>
Issued and fully paid:		
At beginning of the year	6,872	5,080
Issue of ordinary shares under share subscription	<u>1,374</u>	<u>1,792</u>
At end of the year	<u>8,246</u>	<u>6,872</u>

On 15 November 2023, the Company entered into subscription agreements with two independent third parties under which the Company has agreed to allot and issue 77,600,000 new shares at the subscription price HK\$0.12 per share. The subscription price represented (i) no premium or discount to the closing price of HK\$0.12 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and (ii) a discount of approximately 12.02% to the average closing price of approximately HK\$0.1364 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the subscription agreements. Completion of the shares subscription took place on 29 December 2023 which gave rise to proceeds of HK\$9,312,000 (before expense) on the issue of 77,600,000 new shares of the Company.

On 11 March 2024, the Company entered into subscription agreements with an independent third party under which the Company has agreed to allot and issue 101,600,000 new shares at the subscription price HK\$0.125 per share. The subscription price represented (i) a discount of approximately 10.71% to the closing price of HK\$0.140 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement; and (ii) a premium of approximately 2.12% to the average closing price of approximately HK\$0.1224 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the subscription agreement. Completion of the shares subscription took place on 28 March 2024 which gave rise to proceeds of HK\$12,700,000 (before expense) on the issue of 101,600,000 new shares of the Company.

On 20 February 2025, the Company entered into subscription agreements with two independent third parties under which the Company has agreed to allot and issue 137,440,000 new shares at the subscription price HK\$0.07 per share. The subscription price represented (i) a premium of approximately 1.45% to the closing price of HK\$0.069 per Share as quoted on the Stock Exchange on the date of the subscription agreements; and (ii) a discount of approximately 6.67% to the average closing price of approximately HK\$0.075 per share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the subscription agreements. Completion of the shares subscription took place on 7 March 2025 which gave rise to proceeds of HK\$9,620,800 (before expense) on the issue of 137,440,000 new shares of the Company.

The subscription prices mentioned above were determined after arm's length negotiation between the Company and the subscribers with reference to the prevailing market conditions and the recent share price performance and liquidity of the shares. The board of directors consider that the terms of the subscription agreements (including the subscription prices) are fair and reasonable and in the interests of the Company and the shareholders as a whole.

EXTRACT FROM INDEPENDENT AUDITORS' REPORT

The following is an extract of the independent auditor's report on the Company's consolidated financial statements for the year ended 30 June 2025:

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") 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.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 3 to the consolidated financial statements concerning the adoption of the going concern basis on which the consolidated financial statements have been prepared. The Group had a net cash used in operating activities of approximately HK\$9,354,000 for the year ended 30 June 2025 and had borrowings and loans from directors, a shareholder and director and an ultimate beneficial owner repayable on demand of approximately HK\$7,402,000, HK\$1,816,000, HK\$114,000 and HK\$1,793,000 respectively, while the Group had total bank balances and cash amounting to approximately HK\$8,104,000 as at 30 June 2025. These conditions, along with other matters as set forth in note 3 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. The directors of the Company, having considered the measures being taken by the Group, are of the opinion that the Group would be able to continue as a going concern. Our opinion is not modified in respect of this matter.

FINAL DIVIDEND

The Board does not recommend the payment of any final dividend for the year ended 30 June 2025 (2024: HK\$Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

The Group is principally engaged in internet advertising services and the build-up and operation of a digitalization empowerment platform.

Business Review

The Group and its subsidiaries are principally engaged in internet advertising services and the build-up and operation of a digitalization empowerment platform. Leveraging its proprietary platform and global mainstream online platforms, the Group provides customers with worldwide advertising services, encompassing advertising design, agency, advertising production, advertising distribution, big data support, integrated marketing solutions and other services. Meanwhile, building upon its existing internet advertising business, the Group actively expands its digitalization platform services, launching integrated solutions at opportune times. These solutions cover smart device procurement, offline event planning, technical operation and maintenance support, as well as online and offline procurement, sales, consulting and other services. This service system aims to integrate online and offline resources, delivering efficient, synergistic, and fully digitalized business support to customers.

Outlook

Against the backdrop of intensifying global trade frictions and increasingly fierce market competition, the gap between the growth potential of traditional internet advertising business and customer expectations is becoming more apparent. This business model is proving difficult to fully meet the market's continuously upgrading demands in terms of precision, cost-effectiveness and rate of return.

To cope with this challenge, the Group will actively advance business model optimization, gradually expanding its focus toward internet-derived product promotion models. On one hand, we will strengthen our data-driven precision marketing capabilities by introducing AI tools to optimize creative advertising generation and placement strategies, continuously enhancing advertising conversion rates and returns for customers. On the other hand, the Group will proactively respond to the trends of cultural consumption upgrades and cultural-tourism integration, accelerating its expansion into emerging fields such as cultural tourism project operations and IP content development.

Leveraging its existing advertising customer resources and digital marketing experience, the Group can effectively drive traffic to new business segments and expand its market influence. Concurrently, AI creative technology will also be applied to the production and design of IP-derived contents, significantly enhancing creative efficiency and product market fit while further strengthening business synergies. This strategic transformation will not only help unlock a new growth curve but also create more sustainable value for shareholders in the long run.

At the same time, the Group will continue to introduce cutting-edge technologies such as Web3, deeply integrate intelligent algorithms and Internet of Things capabilities, and further strengthen the intelligent level of equipment management, supply chain synergy and customer interaction. By building a more flexible, secure and transparent interaction mechanism, an immersive marketing experience linking online and offline can be realized to ensure fair and credible processes and diverse and accurate services.

This not only responds to the growing market demand for intelligent, integrated solutions, but also empowers traditional business modules with greater competitiveness and adaptability. The Group will continue to optimize its technology architecture and service ecosystem, and promote the evolution of its digitalization services towards a more intelligent, interconnected and reliable direction, so as to create greater value for customers.

Financial Review

Revenue

The Group's revenue principally represents income derived from the provision of digitalization empowerment platform business and income from the internet advertising services.

The Group has recorded a revenue of approximately HK\$44.5 million for the year ended 30 June 2025, representing a decrease of approximately 64.3% as compared with approximately HK\$124.5 million for the year ended 30 June 2024.

The decline in revenue primarily reflected the structural challenges faced by the traditional internet advertising business: the industry entered a phase of competition for existing customers, with weakened customer placement willingness and budget reductions from some advertisers, leading to a significant year-on-year decrease in revenue from this segment. Meanwhile, the digitalization empowerment platform business, whose transformation was actively promoted by the Group, demonstrated strong performance, recording substantial year-on-year growth and gradually becoming a new growth driver for the Group. However, as the digital business is still in the early stages of expansion, its revenue contribution has not yet fully offset the decline in the traditional advertising business, resulting in a temporary phase of overall revenue contraction.

Cost of Sales and Gross Profit

Cost of sales mainly represents costs incurred for provision of digitalization empowerment platform business during the year.

The Group's cost of sales amounted to approximately HK\$43.1 million for the year ended 30 June 2025. Cost of sales decreased by approximately 68.5% as compared with the cost of sales for the year ended 30 June 2024. The decrease was mainly due to the Group's initiative to adjust its business structure, which significantly reduced the scale of the traditional internet advertising business with originally higher costs.

Gross profit margin for the year ended 30 June 2025 increased significantly by 12.8 percentage points from the gross loss margin of approximately 9.9% for the same period last year to the gross profit margin of approximately 2.9%. This improvement was mainly due to the reduction of high-cost internet advertising business, which resulted in the optimization of the overall cost structure and the recovery of profitability.

Other Income, Gains and Losses, Net

Other income, gains and losses, net, mainly represents sundry income or (losses) incidental to our business, principally including interest income, gain on disposal of subsidiaries, impairment losses recognised on trade and other receivables and exchange gains or losses, etc.

Other income, gains and losses, net, amounted to net losses of approximately HK\$14.4 million for the year ended 30 June 2025 compared to net gains of approximately HK\$39.1 million for the year ended 30 June 2024. The loss for the year was mainly attributable to the increased provision for credit loss on other receivables and prepayments by the Group in view of the changes in overall market risks.

Selling and Distribution Expenses

Selling and distribution expenses comprise mainly payroll expenses and advertising expenses. The selling and distribution expenses for the years ended 30 June 2025 and 2024 were approximately HK\$1.1 million and HK\$0.9 million respectively. The increase in selling and distribution expenses was mainly due to the investment of marketing expenses in the digitalization empowerment platform business for expanding new businesses.

Administrative Expenses

Administrative expenses comprise mainly payroll expenses, rent, operating expenses and other office administrative expenses. Administrative expenses were approximately HK\$6.0 million for the year ended 30 June 2025, while amounted to approximately HK\$8.1 million for the year ended 30 June 2024, representing a decrease of approximately 25.9%.

The lower administrative expenses for the year ended 30 June 2025 were recorded mainly due to cost saving measures and reduction in staff costs.

Finance Costs

Finance costs decreased to HK\$30,000 during the year ended 30 June 2025 from HK\$1.3 million during the year ended 30 June 2024, primarily due to the decrease in interest expenses paid to shareholders, directors and third parties.

Income Tax Expense

Income tax represents Hong Kong Profits Tax at 16.5% for the Company's subsidiaries in Hong Kong and PRC Enterprise Income Tax at 25% for the Company's subsidiaries in the PRC.

Loss/profit for the Year

The Group recorded a loss of approximately HK\$20.3 million and a profit of approximately HK\$17.5 million for the years ended 30 June 2025 and 2024, respectively, which was mainly attributable to the fact that the Group increased the provision for credit loss on other receivables and prepayments in view of the current changes in overall market risks, thereby resulting in an increase in its losses.

Financial Position, Liquidity and Financial Resources

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and minimise the costs of funds, the Group's treasury activities are centralised and cash is generally deposited with banks in Hong Kong and Mainland China.

The Group has maintained its funds at a sound and healthy financial resource level during the year under review. As at 30 June 2025, included in net current assets were cash and bank balances (including pledged bank deposits and restricted bank deposits) totalling approximately HK\$8.1 million (30 June 2024: HK\$4.2 million), the increase in which was mainly attributable to cash inflow generated from operating activities, borrowings and equity financing.

The Group's outstanding borrowings as at 30 June 2025 amounting to HK\$7.4 million (30 June 2024: HK\$1.9 million) were principally denominated in HKD (2024: HKD and Renminbi) and carried at fixed interest rates.

The Group monitored capital using gearing ratio, which is total debt of the Group divided by total equity of the Group.

Total debt to equity ratio of the Group expressed as a percentage of borrowings over the total equity was approximately 16.2% as at 30 June 2025 (30 June 2024: 3.1%).

Trade Receivables

The Group's trade receivables were HK\$21.8 million as at 30 June 2025 (30 June 2024: HK\$5.7 million). The increase was mainly due to the rapid expansion of the digitalization empowerment platform business, with the corresponding increase in revenue from the business leading to the increase in the scale of trade receivables.

Financial Management Policies

The Group in its ordinary course of business is exposed to market risks such as currency risk and interest rate risk. The Group's risk management policy aims to minimise the adverse effects of these risks on its financial performance.

Cash is generally deposited with banks in Mainland China and Hong Kong, which is denominated mostly in Renminbi, Hong Kong dollars and United States dollars. Hong Kong dollars are pegged to United States dollars under the current policy of the Government of Hong Kong.

As the Group's trading transactions, monetary assets and liabilities in Mainland China are denominated mainly in Renminbi, and trading transactions, monetary assets and liabilities in Hong Kong and overseas are denominated mainly in Hong Kong dollars (being the Group's operating and reporting currencies) and United States dollars (to which Hong Kong dollars were pegged), the impact of foreign exchange exposure to the Group was minimal and the changes in foreign exchange rates did not have a significant adverse effect on normal operations during the reporting period.

With the current interest rates staying at relatively low levels, the Group has not entered into any interest rate hedging contracts or any other interest rate related derivative financial instrument. However, the Group continues to monitor its related interest rate exposure closely.

USE OF PROCEEDS

On 20 February 2025, the Company entered into the Subscription Agreements with independent third parties, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscribers have conditionally agreed to subscribe for 137,440,000 Subscription Shares at the Subscription Price of HK\$0.07 per Subscription Share in accordance with the terms and conditions as set out in the Subscription Agreements. The subscription of shares completed on 7 March 2025 and the total of 137,440,000 shares have been allotted and issued to the Subscribers.

The gross proceeds and net proceeds from the issue of the shares are estimated to be HK\$9,620,800 and HK\$9,520,800 respectively. The Company intends to use the net proceeds (i) for repayment of borrowings, (ii) for general working capital and (iii) business expansion of the Group.

The Directors consider that the Subscription represents an opportunity for the Group to reduce its liabilities and broaden the capital base and Shareholder base of the Company. Accordingly, the Directors consider that the Subscription is in the interest of the Company and the Shareholders as a whole.

Completion of the subscription took place on 10 March 2025. A total of 34,360,000 Shares and 103,080,000 shares were allotted and issued to the Subscriber A and Subscriber B respectively by the Company at the Subscription Price of HK\$0.07 per Subscription Share.

Further details are set out in the Company's announcement dated 20 February, 2025 and 10 March 2025 respectively.

The table below set out the details of the use of proceeds

	Allocation of net proceeds	Amount utilized as at 30 June 2025	Remaining balance of net proceeds as at 30 June 2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Issue of 137,440,000 shares on 7 March 2025			
Repayment of certain borrowings	1,904,160	(1,904,160)	–
General working capital	4,760,400	(3,760,400)	1,000,000
Business expansion	2,856,240	(962,240)	1,894,000

Charge over Assets of the Group

As at 30 June 2025, there is no pledged bank deposits of the Group to support the Group's banking facilities (30 June 2024: Nil).

Capital Commitments

As at 30 June 2025, the Group did not have any significant capital commitment (30 June 2024: Nil).

Contingent Liabilities

As at 30 June 2025, the Group did not have any significant contingent liability (30 June 2024: Nil).

Risk Management and Uncertainties

The Board believes that risk management is essential to the Group's efficient and effective operation. The Group's management assists the Board in periodic evaluation of principal risks exposed to the Group and estimation made for the uncertainties; and participates in formulating appropriate risk management and internal control measures for the purpose of on-going monitoring of such risks and assessing the appropriateness of such estimations.

Material Acquisitions and Disposals

During the year ended 30 June 2025, the Group did not have any material acquisition or disposal.

Events after the reporting period

(i) Share Consolidation and Change in Board Lot Size

On 15 September 2025, the Board proposed to implement the share consolidation on the basis that every twenty (20) issued and unissued existing shares of par value of HK\$0.01 each will be consolidated into one (1) consolidated share of par value of HK\$0.2 each (the "Share Consolidation"). Upon the Share Consolidation becoming effective and assuming that no existing shares are issued or bought back until the effective date of the Share Consolidation, the authorised share capital of the Company will become HK\$40,000,000 divided into 200,000,000 consolidated shares with par value of HK\$0.2 each, of which 41,232,000 consolidated shares will be in issue.

The Board also proposed to change the board lot size for trading from 5,000 existing shares to 2,000 consolidated shares per board lot subject to and conditional upon the Share Consolidation becoming effective.

The implementation of the Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution to approve the Share Consolidation by the Shareholders at the extraordinary general meeting of the Company to be convened and held;
- (ii) the Stock Exchange granting approval for the listing of, and permission to deal in, the consolidated shares upon the Share Consolidation becoming effective; and

- (iii) the compliance with the relevant procedures and requirement under the laws of the Cayman Islands (where applicable) and the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Share Consolidation, if any.

For details, please refer to the announcements of the Company published on 15 September 2025 and 19 September 2025 respectively in relation to the proposed Share Consolidation.

(ii) Subscription of new shares under specific mandate

On 15 September 2025 (after trading hours), the Company and Invengo Technology Pte. Ltd., a company incorporated in Singapore, (the “Subscriber”) entered into the subscription agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, a total of 8,246,400 consolidated shares (the “Subscription Share(s)”), at the subscription price of HK\$1.60 per consolidated share.

The subscription is conditional upon the following conditions precedent being fulfilled:

- (i) the Stock Exchange granting approval for the listing of, and permission to deal in, the Subscription Shares;
- (ii) the duly passing of the resolution(s) at the extraordinary general meeting of the Company to be convened and held; and
- (iii) the Share Consolidation becoming effective.

For details, please refer to the announcements of the Company published on 15 September 2025 and 19 September 2025 respectively in relation to the subscription.

Employees and Remuneration Policy

As at 30 June 2025, the Group had a workforce of 12 employees (2024: 14). Total staff costs for the year ended 30 June 2025 were approximately HK\$1.5 million, as compared to total staff costs of HK\$2 million for the year ended 30 June 2024.

The emolument policy of the employees of the Group is formulated by the Remuneration Committee (as defined below) with reference to the duties, responsibilities, experience and competence of individual employees. The same policy also applies to the Directors. In addition to salaries and discretionary bonuses relating to the performance of the Group, employee benefits included pension scheme contributions. The emoluments of the Directors are reviewed annually by the remuneration committee of the Company (“Remuneration Committee”).

The Group provides various training to its employees to enhance their technical skills and knowledge relevant to the employees' responsibilities. The Group also provides its employees with quality control standards and work safety standards training to enhance their safety awareness.

The employees in Hong Kong are enrolled in the Mandatory Provident Fund under the Hong Kong Mandatory Provident Fund Schemes Ordinance. Monthly contributions are made by the Group which are 5% of the monthly income of the employees as stipulated under the relevant requirements (if applicable), with the maximum contributions of HK\$1,500 monthly.

Pursuant to the regulations of the relevant authorities in the PRC, the employees in PRC shall be enrolled in the respective government retirement benefit schemes (the "Schemes") whereby the Group is required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes.

CHANGES OF DIRECTORS' INFORMATION

Upon specific enquiry by the Company and following confirmations from Directors, save as disclosed as follows, there is no change in the information of the Directors required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules since the Company's last published annual report.

Name of Director	Changes in Positions held with the Company
Ms. Liu Qin	<ul style="list-style-type: none">resigned as the Executive Director of the Company with effect from 16 June 2025
Mr. Gan Xiaohua	<ul style="list-style-type: none">resigned as the Executive Director of the Company with effect from 8 July 2025

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTEREST IN COMPETING BUSINESS

During the year ended 30 June 2025, the Directors are not aware of any business or interest of the Directors or the controlling shareholders of the Company that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for securities transactions and dealing (the "Code of Conduct") by Directors on terms no less exacting than the required standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Model Code"). The Company has made specific enquiry of all Directors as to whether they have complied with the required standard set out in the Model Code and the Code of Conduct during the year ended 30 June 2025.

All the Directors have confirmed that they have complied with the required standards set out in the Model Code and the Code of Conduct throughout the year ended 30 June 2025.

CORPORATE GOVERNANCE CODE

The Company has adopted the code provisions on Corporate Governance Code in force during the year ended 30 June 2025 as set out in Appendix C1 to the GEM Listing Rules.

During the year ended 30 June 2025, the Group was in compliance with the Corporate Governance Code as set out in Appendix C1 to the GEM Listing Rules (the “CG Code”), except the deviations disclosed below:

	CG Code Provision	Deviation	Considered Reason for Deviations
D.1.2	Management should provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Company’s performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties under Rule 5.01 and Chapter 17 of the GEM Listing Rules.	The management failed to provide the Directors with updated financial information of the Company each month.	The Board members of the Company were still informed by the management of the Company by email, by WeChat or by phone on the updated information of the Company’s performance and future business plan from time to time.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has been established in accordance with the GEM Listing Rules. Members of the Audit Committee comprise Mr. Chen Ce (Chairman), Ms. Zhu Minli and Ms. Zhu Xiaolin (appointed on 20 January 2025), all of them being independent non-executive Directors. The Audit Committee has reviewed with the management this announcement, the accounting principles and practices adopted by the Group, financial reporting matters including a review of the audited consolidated annual results for the year ended 30 June 2025 prior to recommending them to the Board for approval.

SCOPE OF WORK OF AUDITOR

The figures in respect of the consolidated financial statements as set out in this results announcement have been agreed by the Group’s independent auditor, **Prism Hong Kong Limited** to the amounts set out in the consolidated financial statements for the year ended 30 June 2025.

The work performed by Prism Hong Kong Limited in this respect did not constitute an 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 HKICPA and consequently no assurance has been expressed by Prism Hong Kong Limited on this results announcement.

By order of the Board
Web3 Meta Limited
Zeng Jin
Chairman and executive Director

Hong Kong, 26 September 2025

As at the date of this announcement, the Board comprises Mr. Zeng Jin and Ms. Tian Yuan as executive directors; and Mr. Chen Ce, Ms. Zhu Minli and Ms. Zhu Xiaolin as independent non-executive directors.

This announcement will remain on the Stock Exchange website at <http://www.hkexnews.hk> on the “Latest Listed Company Announcements” page for at least 7 days from the day of its publication and on the website of the Company at <http://www.web3meta.hk>.