

Hua Xia Water Group Limited

華夏水務集團有限公司

(formerly known as 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 FIFTEEN MONTHS ENDED 30 JUNE 2026

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.

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

*This announcement, for which the directors (the “**Directors**”) of Hua Xia Water 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 Hua Xia Water Group Limited (the “**Company**”) (the “**Board**”) is pleased to present the consolidated results of the Company and its subsidiaries (the “**Group**”) for the fifteen months ended 30 June 2026 (the “**Relevant Period**”), together with the comparative figures for the year ended 31 March 2025 (the “**Previous Year**”), as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the fifteen months ended 30 June 2026

		Fifteen months ended 30 June 2026	Year ended 31 March 2025
	<i>Note</i>	HK\$'000	HK\$'000
Revenue	4	65,569	13,157
Cost of services		<u>(54,933)</u>	<u>(5,339)</u>
Gross profit		10,636	7,818
Other income and gains, net	5	189	59
Selling and distribution costs		(7,227)	(4,138)
Administrative and other operating expenses		(18,444)	(8,526)
Impairment loss on property, plant and equipment		(303)	–
Impairment loss on right-of-use assets		(1,361)	–
Impairment loss on intangible assets		(1,895)	–
Provision for expected credit losses (“ ECL ”) on trade and other receivables		<u>(337)</u>	<u>(87)</u>
Loss from operations		(18,742)	(4,874)
Finance costs	6(c)	<u>(49)</u>	<u>(17)</u>
Loss before tax	6	(18,791)	(4,891)
Income tax expense	7	<u>–</u>	<u>–</u>
Loss for the period/year		<u>(18,791)</u>	<u>(4,891)</u>

		Fifteen months ended 30 June 2026	Year ended 31 March 2025
	<i>Note</i>	HK\$'000	HK\$'000
Other comprehensive loss			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences for foreign operations		<u>(205)</u>	<u>(199)</u>
Other comprehensive loss for the period/year, net of tax		<u>(205)</u>	<u>(199)</u>
Total comprehensive loss for the period/year		<u>(18,996)</u>	<u>(5,090)</u>
Loss for the period/year attributable to:			
— Owners of the Company		(17,754)	(4,891)
— Non-controlling interests		<u>(1,037)</u>	<u>—</u>
		<u>(18,791)</u>	<u>(4,891)</u>
Total comprehensive expense for the period/year:			
— Owners of the Company		(17,917)	(5,090)
— Non-controlling interests		<u>(1,079)</u>	<u>—</u>
		<u>(18,996)</u>	<u>(5,090)</u>
Loss per share attributable to owners of the Company	8	HK cents	HK cents (Restated)
— Basic		<u>(2.77)</u>	<u>(1.63)</u>
— Diluted		<u>(2.77)</u>	<u>(1.63)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 30 June 2026 <i>HK\$'000</i>	At 31 March 2025 <i>HK\$'000</i>
	<i>Note</i>		
Non-current assets			
Property, plant and equipment		1,260	45
Right-of-use assets		944	215
Intangible assets		1,317	—
		<u>3,521</u>	<u>260</u>
Current assets			
Inventories		—	409
Trade and other receivables	10	30,807	6,945
Contract assets		—	381
Tax recoverable		—	6
Cash and cash equivalents		7,341	6,299
		<u>38,148</u>	<u>14,040</u>
Current liabilities			
Trade and other payables	11	17,909	8,414
Contract liabilities		95	233
Lease liabilities		1,200	207
		<u>19,204</u>	<u>8,854</u>
Net current assets		<u>18,944</u>	<u>5,186</u>
Total assets less current liabilities		<u>22,465</u>	<u>5,446</u>
Non-current liabilities			
Lease liabilities		1,115	—
Net assets		<u>21,350</u>	<u>5,446</u>

	At 30 June 2026	At 31 March 2025
<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Capital and reserves		
Share capital	6,777	2,400
Reserves	<u>15,652</u>	<u>3,046</u>
Equity attributable to the owners of the company	22,429	5,446
Non-controlling interest	<u>(1,079)</u>	<u>—</u>
Total equity	<u>21,350</u>	<u>5,446</u>

NOTES TO THE ANNOUNCEMENT

1. CORPORATE INFORMATION

Hua Xia Water 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.

Pursuant to the special resolution of the shareholders of the Company on 6 March 2026, the English name of the Company has been changed from “Stream Ideas Group Limited” to “Hua Xia Water Group Limited”, and the dual foreign name in Chinese of the Company has been changed from “源想集團有限公司” to “華夏水務集團有限公司”.

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

2. BASIS OF PREPARATION

The consolidated annual results set out in this announcement do not constitute the Group’s consolidated financial statements for the fifteen months ended 30 June 2026 but are extracted from those consolidated financial statements.

The accounting policies and basis of preparation adopted in the consolidated financial statements are consistent with those adopted in the Group’s audited consolidated financial statements for the year ended 31 March 2025 except for changes in accounting policies as a result of the adoption of new and revised HKFRS Accounting Standards as set out in Note 3.

3. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current period

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

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

New and amendments to HKFRSs in issue but not yet effective

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

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7 — Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS Accounting Standards — Volume 11	1 January 2026
Amendments to HKFRS 9 and HKFRS 7 — Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendment to HKAS 21 — Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 18 — Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 — Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKAS 28 — Fair Value Option for investments in Associates and Joint Ventures	1 January 2027
Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards are not expected to have any significant impact on the Group's consolidated financial statements.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements, carrying forward many of the requirements in HKAS 1 unchanged and complementing them with new requirements. HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings Per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRSs. HKFRS 18 and the consequential amendments to other HKFRSs will be effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

4. REVENUE AND SEGMENT REPORTING

(a) Revenue

Revenue represents revenue arising on advertising services and rental income for the fifteen months ended 30 June 2026. An analysis of the Group's revenue is as follows:

	Fifteen months ended 30 June 2026 HK\$'000	Year ended 31 March 2025 HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Advertising services income	64,969	13,157
Revenue from other source		
Rental income	600	–
	65,569	13,157

Disaggregation of revenue from contracts with customers by timing of recognition:

	Fifteen months ended 30 June 2026 HK\$'000	Year ended 31 March 2025 HK\$'000
Timing of revenue recognition		
At a point in time	64,969	13,157

Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its sales contracts for advertising services to exempt the disclosure of revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date with performance obligation being part of a contract that has an original expected duration of one year or less.

(b) Segment reporting

The Group determines its operating segment and measurement of segment results based on the internal reports to executive directors, the Group's chief operating decision makers (the "CODM"), for the purposes of resource allocation and performance assessment.

During the fifteen months ended 30 June 2026, the Group's reportable and operating segments are as follows:

Provision of advertising services (the management redefined the "Provision of online advertising services" segment to "Provision of advertising services" to reflect its strategic decision during the fifteen months ended 30 June 2026) — the social viral services, engager services, mass blogging services and other related business.

Others — primarily relate to the sales of beer dispensers and the provision of corporate services for investment holding companies. These activities are excluded from the reportable operating segments and are presented to reconcile to the totals included in the Group's consolidated statement of comprehensive income and consolidated statement of financial position.

Segment revenue and results

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

For the fifteen months ended 30 June 2026

	Provision of advertising services <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue	65,569	—	65,569
Segment results	(12,097)	(6,694)	(18,791)
Loss before tax			(18,791)
Other information:			
Depreciation of property, plant and equipment	85	128	213
Depreciation of right-of-use assets	679	—	679
Amortisation of intangible assets	1,788	—	1,788
ECL on trade receivables	105	—	105
ECL on deposits and other receivables	137	95	232
Impairment loss on property, plant and equipment	303	—	303
Impairment loss on right-of-use assets	1,361	—	1,361
Impairment loss on intangible assets	1,895	—	1,895

For the year ended 31 March 2025, the Group is solely engaged in the provision of advertising services. Management reviews the operating results of the business as one segment to make decisions about resources to be allocated. Therefore, the executive directors of the Company regard that there is only one segment which is used to make strategic decisions. Revenue and loss before income tax are the measure reported to the executive directors of the Company for the purpose of resources allocation and performance assessment. Accordingly, only entity-wide disclosure, revenue from major customers and geographic information are presented for the year ended 31 March 2025.

Segment assets and liabilities

The CODM makes decisions according to operating results of each segment. No analysis of segment assets and segment liabilities are presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Revenue from major customers

Details of the customers individually representing 10% or more of the Group's revenue are as follows:

	Fifteen months ended 30 June 2026 HK\$'000	Year ended 31 March 2025 HK\$'000
Customer A	21,310	—
Customer B	N/A*	2,960

* The corresponding revenue did not contribute over 10% of the total revenue of the Group during the fifteen months ended 30 June 2026.

Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment and intangible assets ("Specified non-current assets"). The geographical location of customers is based on the location at which the service was provided. The geographical location of the specified non-current assets is based on the physical location of the operation to which they are allocated or acquired.

	Revenue from external customers		Specified non-current assets	
	Fifteen months ended 30 June 2026 HK\$'000	Year ended 31 March 2025 HK\$'000	Fifteen months ended 30 June 2026 HK\$'000	Year ended 31 March 2025 HK\$'000
Asia Pacific (excluding Hong Kong and Taiwan)	49,259	804	1,038	23
Hong Kong	12,552	8,937	2,408	124
Taiwan	3,758	3,416	75	113
	65,569	13,157	3,521	260

5. OTHER INCOME AND GAINS, NET

	Fifteen months ended 30 June 2026 HK\$'000	Year ended 31 March 2025 HK\$'000
Handling income	22	–
Interest income	27	59
Sundry income	140	–
	<u>189</u>	<u>59</u>

6. LOSS BEFORE TAX

Loss before tax is arrived at after charging/(crediting):

	Fifteen months ended 30 June 2026 HK\$'000	Year ended 31 March 2025 HK\$'000
(a) Staff costs (including directors' emoluments)		
Salaries, wages and other benefits	11,104	8,464
Contributions to defined contribution retirement plans	362	322
	<u>11,466</u>	<u>8,786</u>

	Fifteen months ended 30 June 2026 HK\$'000	Year ended 31 March 2025 HK\$'000
(b) Other items		
Depreciation charge		
— owned property, plant and equipment	213	55
— right-of-use assets	679	348
	892	403
Amortisation cost of intangible assets	1,788	—
Impairment loss on property, plant and equipment	303	—
Impairment loss on right-of-use assets	1,361	—
Impairment loss on intangible assets	1,895	—
Provision for ECL on trade and other receivables	337	87
Auditors' remuneration		
— audit service	500	450
— non-audit service	—	105
Net foreign exchange gains	(42)	(195)
	Fifteen months ended 30 June 2026 HK\$'000	Year ended 31 March 2025 HK\$'000
(c) Finance costs		
Interest on lease liabilities	49	17

7. INCOME TAX

Tax charges on profits assessable elsewhere in other jurisdictions have been calculated at the rates of tax prevailing in the relevant jurisdictions in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Hong Kong Profits Tax is calculated at 16.5% on the estimated profit for the fifteen months ended 30 June 2026 and the year ended 31 March 2025.

Under the Law of the PRC on Corporate Income Tax (the “CIT Law”) and Implementation Regulation of the CIT Law, the tax rate of the PRC operation is 25% for the fifteen months ended 30 June 2026 and the year ended 31 March 2025.

In accordance with the relevant Taiwan rules and regulations, the Taiwan Corporate Income Tax rate applicable to the Group's subsidiary in Taiwan is 20% for the fifteen months ended 30 June 2026 and year ended 31 March 2025.

No provision for Hong Kong Profits Tax, PRC Corporate Income Tax and Taiwan Corporate Income Tax has been made for the fifteen months ended 30 June 2026 and the year ended 31 March 2025 as the Group's did not have any assessable profits.

8. LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the fifteen months ended 30 June 2026 and year ended 31 March 2025.

	Fifteen months ended 30 June 2026	Year ended 31 March 2025 (Restated)
Loss attributable to the owners of the Company (HK\$'000)	(17,754)	(4,891)
Weighted average number of ordinary shares in issue (in thousands)	<u>640,786</u>	<u>299,695</u>

The weighted average number of ordinary shares for the purpose of basic loss per share for the fifteen months ended 30 June 2026 and year ended 31 March 2025 have been adjusted retrospectively for the effect of the bonus element of the rights issue completed on 15 May 2025, as if it had been effective on 1 April 2024.

(b) Diluted loss per share

During the fifteen months ended 30 June 2026 and the year ended 31 March 2025, there were no dilutive potential ordinary shares in issue.

The amount of dilutive loss per share is the same as basic loss per share for the fifteen months ended 30 June 2026 and the year ended 31 March 2025.

9. DIVIDENDS

The board of directors does not recommend the payment of a dividend for the fifteen months ended 30 June 2026 and the year ended 31 March 2025.

10. TRADE AND OTHER RECEIVABLES

	At 30 June 2026 HK\$'000	At 31 March 2025 HK\$'000
Trade receivables	19,819	6,697
Less: loss allowance	(430)	(325)
	<u>19,389</u>	<u>6,372</u>
Trade receivables, net	19,389	6,372
Deposits, prepayments and other receivables	11,651	573
Less: loss allowance	(233)	—
	<u>11,418</u>	<u>573</u>
Deposits, prepayments and other receivables, net	11,418	573
Total	<u>30,807</u>	<u>6,945</u>

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:

	At 30 June 2026 <i>HK\$'000</i>	At 31 March 2025 <i>HK\$'000</i>
Within 30 days	3,022	4,049
31 to 60 days	1,526	1,174
61 to 90 days	2,686	439
91 to 180 days	8,488	530
Over 180 days	3,667	180
	<u>19,389</u>	<u>6,372</u>

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

11. TRADE AND OTHER PAYABLES

	At 30 June 2026 <i>HK\$'000</i>	At 31 March 2025 <i>HK\$'000</i>
Point provision	4,567	4,979
Other payables and accruals	13,342	3,435
	<u>17,909</u>	<u>8,414</u>

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group principally engages in the provision of online advertising services, which consist of social viral service, engager service, mass blogging service and other related business. Its business primarily operates in the Asia-Pacific region including Hong Kong, Taiwan, the People's Republic of China (the “**PRC**”), Malaysia and the Philippines. The Group's services are primarily delivered via its self-developed platforms, which allow clients to match their advertising campaigns or content with the Group's relevant members based on their demographic details and behaviors, such as consumption patterns of certain products and services and brand preferences and provide one-stop advertising solutions to clients. During the Relevant Period, in addition to retaining strong relationships with existing clients and business partners, the Group has expanded its business footprint and successfully entered into long-term agreements with clients in across a mix of industries and regions and expanded the service scopes of their one-stop integrated advertisement solution to respond to the rapidly evolving industry demands.

On 19 December 2025, the Group had entered into a media services agreement (the “**Media Services Agreement**”) with a high-tech enterprise established in Shenzhen, which focused on omni-channel new media operations and enterprise digital transformation services (the “**Business Partner**”). Pursuant to the Media Services Agreement, the Business Partner agreed to grant to the Group an exclusive right to host and display media content provided by the Group continuously (the “**Media Content**”) on the smart display screens attached to IoT devices, including water dispensers, in the agreed region during the term of the Media Services Agreement for a fixed sum.

The Group considers that the Media Services Agreement represents a significant progression and continuation of the Group's strategic efforts to strengthen its position in China's evolving media and advertising sector. By securing exclusive rights to display dynamic Media Content on the Business Partner's established network of displays in community and urban areas, the Group can fully leverage on the Business Partner's expertise in omni-channel new media operations, KOL/KOC capabilities and digital platforms to broaden advertising reach both in the PRC and potentially overseas. This enables the independent operation and management of dedicated advertising inventory, facilitating innovative formats such as interactive content, data-driven targeting and refined consumer behaviour insights to enhance brand visibility, encourage meaningful interactions and support integrated online-offline campaigns.

As at 30 June 2026, the Media Content had been displayed on 100 smart display screens in the PRC.

On 5 May 2026, the name of the Company has been changed from “Stream Ideas Group Limited” to “Hua Xia Water Group Limited”, and the dual foreign name in Chinese of the Company has been changed from “源想集團有限公司” to “華夏水務集團有限公司”.

The change of company name was approved by the shareholders at the special general meeting (SGM) and has been registered by the Registrar of Companies in the Cayman Islands. The strategic changes to strengthen the corporate image and identity which will benefit the Group’s growth strategies and better reflect the Group’s business development and direction.

By geographical market

During the Relevant Period, approximately 75.1% of the Group’s revenue (Previous Year: approximately 6.1%) was generated from clients from the Asia-Pacific region except Hong Kong and Taiwan, while approximately 19.2% (2025: approximately 67.9%) was generated from clients in Hong Kong. Taiwan contributed approximately 5.7% (2025: approximately 26.0%) of the revenue to the Group.

Asia-Pacific region except Hong Kong and Taiwan

Asia-Pacific region, excluding Hong Kong and Taiwan, mainly comprised of the PRC and South-east Asia countries. During the Relevant Period, revenue from Asia-Pacific region increased to approximately HK\$49,259,000 from approximately HK\$804,000 in the Previous Year, representing an increase of approximately 60.3 times. This performance was mainly attributable to the Group having pursued geographical expansion as part of its ongoing development direction to explore business opportunities and enhance market reach, following the completion of the rights issue of the Company during the Relevant Period. The Group has allocated resources to support geographical expansion in the PRC and South-east Asia countries, establishment of a regional sales team in Singapore and strengthened the Group’s senior management team with personnel possessing in-depth PRC background networking and industry knowledge. In addition, the Group had targeted marketing initiatives to reach new business clients and offer them discount and incentive, recruiting influencers with accounts on key social media platform’s (e.g. Xiaohongshu and Douyin/TikTok), and developing tailored digital advertising campaigns to leverage these social media platforms unique features and user demographics. As a result, the Group had entered into long-term master agreements with new clients in the PRC and South-east Asian countries which are expected to contribute stable revenue to the Group’s online advertising business.

Following a comprehensive review of the performance in each South-east Asian countries the Group operates, the Group made a strategic decision to close down its operations in the Philippines and refocused its resources on the remaining growth markets in the region.

Hong Kong

During the Relevant Period, revenue from Hong Kong increased to approximately HK\$12,552,000 from approximately HK\$8,937,000 in the Previous Year, representing an increase of approximately 40.4%. This performance underscores the Group's continued successful execution of the strategies outlined in the last financial year. Despite ongoing shifts in consumption patterns among Hong Kong residents and visitors, as well as intensified competition from other online advertising service providers, the Group has remained agile and resilient. We further expanded our service mix to cater to clients' evolving needs, including the scaling of targeted promotions, trial incentives, and the extension of our offerings across emerging platforms. In addition, the Group has tried to provide website and mobile application production services to better support clients' digital transformation needs, further enhancing our value proposition and client engagement and enabling us to capture new business opportunities.

Taiwan

During the Relevant Period, the operating environment in Taiwan continued to be challenging, mainly attributable to the changing behavior of internet users and increasing competition from other online advertising service providers. The Group has responded to these changes by shifting its focus to different service types. One of the Group's major clients diverted its attention and resources to managing a public relations crisis and this led to a significant drop in their social media advertising budget in the first half of the Relevant Period. Nevertheless, revenue from Taiwan increased from HK\$3,416,000 in the Previous Year to approximately HK\$3,758,000 for the Relevant Period.

PROSPECTS

Looking ahead, based on the rights to use water vending machines granted by 深圳大白時代科技有限公司, we have expanded its footprint in the PRC multi-media advertisement market. The Interactive multi-media display market is poised for significant growth, driven by advancements in technology and increasing demand for engaging user experiences. As businesses and educational institutions seek innovative ways to enhance communication and collaboration, the integration of interactive displays in various settings is on the rise. Market conditions currently favor interactive solutions that offer touch capabilities, high-resolution visuals, and seamless connectivity. However, challenges such as high initial investment costs and the need for continual software updates could hinder broader adoption. Opportunities lie in the burgeoning sectors of virtual and augmented reality, which can further enrich interactive experiences. Additionally, the growing emphasis on remote learning and hybrid work models presents fertile ground for interactive multi-media displays, as they facilitate better interaction and engagement among users. Overall, the market holds promising prospects, contingent on overcoming existing barriers and leveraging emerging technologies to meet evolving consumer expectations.

Future Outlook of Interactive Multi-Media Display Market

The Interactive multi-media display market is projected to experience significant growth, driven by advancements in display technology and the increasing demand for engaging consumer experiences across various sectors, including retail, education, and entertainment. Emerging trends include the integration of augmented reality (AR) and virtual reality (VR) into display solutions, enhancing interactivity and user engagement. Additionally, the rise of touch-enabled and voice-activated interfaces is transforming how users interact with digital content. As businesses seek to create immersive environments, the market is poised for innovation, with investments in smarter, more versatile display technologies.

Furthermore, Generative AI (GenAI) is fundamentally changing production, lowering costs by 30%–90% in core stages. By early 2026, regulators, including the National Radio and Television Administration, have begun regulating the micro-drama industry, promoting a “micro-drama plus” initiative to improve quality and ensure a healthy market. The Group is actively contemplating and blending the AI-related technical know-how into the multi-media display advertisement business enhance the creativity of the content of the advertisement and reduce production cost.

The management of the Company remains committed to rigorously evaluating the regional operations and financial benchmarks, taking decisive action to adjust the Group's business structure as required to drive sustainable profit growth and maximize value to the Shareholder. These strategic realignments will be executed alongside disciplined cost-management initiatives designed to optimize our overall cost structure and enhance long-term profitability. In addition, the management will continue to identify potential cooperation and acquisition opportunities to provide stable income growth and positive returns to the shareholders of the Company.

FINANCIAL REVIEW

Revenue

The Group's revenue increased from approximately HK\$13,157,000 for the Previous Year to approximately HK\$65,569,000 for the Relevant Period, representing an increase of approximately 4.0 times, primarily attributable to the expansion to the Group's business scale resulting from the successful geographical expansion strategies by the Group in the PRC and South-east Asian countries.

Cost of Services

The Group's cost of services primarily consists of traffic acquisition costs, design and production costs for the media content. The cost of services increased from approximately HK\$5,339,000 for the Previous Year to approximately HK\$54,933,000 for the Relevant Period. The increase in costs of services was mainly resulted from the increase in revenue.

Gross Profit and Gross Profit margin

Gross profit of the Group increased from approximately HK\$7,818,000 for the Previous Year to approximately HK\$10,636,000 for the Relevant Period. Gross profit margin dropped from approximately 59.4% in the Previous Period to approximately 16.2% in the Relevant Period due to the adoption of penetration pricing strategy for new customers in new market and offering discounts to new customer to build brand awareness in the new markets.

Other Income and Gains

Other income of the Group mainly comprised bank interest income and other minor income including handling fee from customers.

Selling and Distribution Costs

Selling and distribution costs of the Group increased by approximately 74.6% from approximately HK\$4,138,000 for the Previous Year to approximately HK\$7,227,000 for the Relevant Period. Selling and distribution costs primarily consist of advertising and promotion expenses, commissions paid and staff costs including salaries, benefit and bonuses to our sales and marketing team. The increase was primarily attributable to attractive incentive offered to the agencies and customers.

Administrative and Other Operating Expenses

Administrative and other operating expenses of the Group increased by approximately 1.1 times from approximately HK\$8,526,000 for the Previous Year to approximately HK\$18,444,000 for the Relevant Period. Administrative and other operating expenses mainly consist of director remuneration, staff costs, legal and professional fees, depreciation of right-of-use assets related to leased properties, depreciation expenses related to the property, plant and equipment and intangible assets, short-terms rent and related expenses and other office expenses. The increase was mainly attributable to one-off professional and related expenses incurred in connection with the Rights Issue exercise during the Relevant Period.

Loss for the Relevant Period

The Group's net loss was approximately HK\$18,791,000 for the Relevant Period as compared to approximately HK\$4,891,000 for the Previous Year.

Use of proceeds from Rights Issue

On 9 May 2025, the Company raised gross proceeds of approximately HK\$37.2 million by way of issue of 437,675,510 rights shares, at the subscription price of HK\$0.085 per rights share on the basis of two (2) rights shares for every one (1) share of the Company held by the qualifying shareholders on the record date (“**Rights Issue**”). Upon completion of the Rights Issue, the net proceeds (after deducting all relevant expenses) from the Rights Issue were approximately HK\$35.0 million. The Company intends to apply the net proceeds from the Rights Issue as to (i) approximately HK\$23.2 million for the expansion and development in the business of online advertising services and promotion of the online platform of the Group; and (ii) approximately HK\$11.8 million for the general working capital of the Group, as disclosed in the prospectus of the Company dated 28 March 2025.

The following table sets forth the information in relation to the use of the Net Proceeds raised from the Rights Issue as at 30 June 2026:

	Intended use of net proceeds from the Rights Issue as disclosed in the prospectus of the Rights Issue <i>HK\$ million</i>	Net proceeds from the Rights Issue utilised during the Relevant Period <i>HK\$ million</i>	Unutilised net proceeds from the Rights Issue as at 30 June 2026 <i>HK\$ million</i>	Expected timeline for utilising the remaining net proceeds from the Rights Issue
Geographical expansion in the PRC and South-east Asia	16.8	15.5	1.3	On or before 31 December 2026
Strengthen the existing network, enhancing infrastructure and technology capabilities	6.4	6.0	0.4	On or before 31 December 2026
General working capital	11.8	11.8	–	Used as intended
Total	<u>35.0</u>	<u>33.3</u>	<u>1.7</u>	

Liquidity and Financial Resources

As at 30 June 2026, the Group had total assets of approximately HK\$41,669,000 (31 March 2025: HK\$14,300,000), which were financed by total liabilities and totals' equity (comprising share capital and reserves) of approximately HK\$20,319,000 (31 March 2025: HK\$8,854,000) and approximately HK\$21,350,000 (31 March 2025: HK\$5,446,000) respectively. The current ratio, being the ratio of current assets to current liabilities, as at 30 June 2026 was 2.0 times (31 March 2025: 1.6 times).

Capital Expenditure

Total capital expenditure for the Relevant Period was approximately HK\$6,735,000 (31 March 2025: HK\$241,000), which was mainly used in the purchase of property, plant and equipment and intangible assets.

Pledge of Group's Assets

As at 30 June 2026, the Group had not pledged any of its assets.

Contingent Liabilities

As at 30 June 2026, the Group had no significant contingent liabilities.

Gearing Ratio

The gearing ratio, being the ratio of bank and other borrowings to total equity, of the Group as at 30 June 2026 was nil (31 March 2025: nil) due to the absence of bank and other borrowings for the Relevant Period.

Foreign Exchange Exposure

The functional currency and reporting currency for the Company and its subsidiaries are Hong Kong dollar, except that the functional currencies of certain principal subsidiaries are Renminbi, New Taiwan dollar and Malaysian Ringgit. During the Relevant Period, the Group was not exposed to any significant currency risk. The management will monitor its foreign exchange exposure from time to time and will consider implementing hedging measures if and when necessary.

Capital Structure

The capital structure of the Company comprises of issued share capital and reserves. As at 30 June 2026, the issued share capital of the Company was approximately HK\$6,777,000 and the number of issued ordinary shares was 677,675,506 of HK\$0.01 each.

On 15 May 2025, a total of 429,284,000 new shares of the Company at nominal value of HK\$0.01 each were issued by way of rights issue on the basis of two rights shares for every one share held by the qualifying shareholders on the record date at the subscription price of HK\$0.085 per share. Upon the completion of the rights issue, the total number of issued shares of the Company increased from 239,999,996 shares of HK\$0.01 each to 677,675,506 shares of HK\$0.01 each.

Segmental Information

Segmental information of the Group is disclosed in note 4(b) of the audited consolidated financial statements.

Material Acquisitions and Disposals of Subsidiaries

Save as disclosed herein, the Group did not have any material acquisition and disposal of subsidiaries during the Relevant Period.

Employees and Emolument Policy

As at 30 June 2026, the Group employed a total of 24 employees (31 March 2025: 23 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 Period were approximately HK\$11,466,000 (Previous Period: approximately HK\$8,786,000).

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

Future Plan for Material Investments and Capital and Capital Assets

There were no significant investments held as at 30 June 2026 nor were there any plans for material investments in capital assets as at the date of this announcement.

Change of financial year end date

On 19 December 2025, the Board resolved to change the financial year end date of the Company from 31 March to 30 June to enable the Group to avoid competition for resources with other listed companies with regard to results announcement and report-related external services during the market peak season and the first half of the calendar year includes the Chinese New Year holiday period and therefore the third quarter will be a better period for the Group to accommodate the audit field work.

EVENT AFTER THE REPORTING DATE

Placing of New Shares

On 30 June 2026, a total of 135,535,101 new shares of the Company at nominal value of HK\$0.01 each were issued by way of placing (“**Placing**”) at the subscription price of HK\$0.026 per share. Upon the completion of the placing, the total number of issued shares of the Company increased from 677,675,506 shares of HK\$0.01 each to 813,210,607 shares of HK\$0.01 each.

The gross proceeds from the Placing amount to approximately HK\$3.52 million. The net proceeds from the Placing, after deducting the placing commission and other related expenses incurred in connection with the Placing, amount to approximately HK\$3.50 million.

The following table sets forth the information in relation to the use of the Net Proceeds raised from the Placing as at announcement date:

	Intended use of net proceeds from the Placing as disclosed in announcement of the Placing <i>HK\$ million</i>	Net proceeds from the Placing utilised up to the announcement date <i>HK\$ million</i>	Unutilised net proceeds from the Placing as at announcement date <i>HK\$ million</i>	Expected timeline for utilising the remaining net proceeds from the announcement date
General working capital	3.5	2.3	1.2	On or before 31 December 2026

The Company intends to apply the entire net proceeds from the Placing for general working capital of the Group, in particular towards, among others, the settlement of staff costs and other employee related expenses of the Group; the settlement of marketing and promotional expenses incurred in connection with the expansion of the Group's online advertising and interactive multi-media display advertising businesses in the PRC and other markets; the settlement of costs relating to the production and procurement of media content for the Group's interactive multi-media display advertising business; the settlement of general administrative and operating expenses of the Group, including rental, utilities and professional fees; and the general working capital of the Group to support its daily business operations.

Changes of the composition of the Board

On 20 July 2026, Mr. Xie Cheng has resigned as an executive Director, the chairman of the Board (the “**Chairman**”) and ceased to be a member of the nomination committee of the Board (the “**Nomination Committee**”) due to his intention to focus on his other business pursuits and commitments and Mr. Yam Yuet Hang was appointed as an executive Director, the Chairman and a member of the Nomination Committee. Details of the changes are set out in the announcement of the Company dated 20 July 2026.

On 31 July 2026, Ms. Meng Mei has resigned as an independent non-executive Director, a member of the audit committee of the Company (the “**Audit Committee**”), a member of the Nomination Committee and chairman of the remuneration committee of the Company (the “**Remuneration Committee**”) to pursue her other personal and business commitments and Mr. Yiu Chun Wing, an independent non-executive Director, has been appointed as the chairman of the Remuneration Committee and a member of the Nomination Committee. Details of the changes are set out in the announcement of the Company dated 31 July 2026.

On 12 August 2026, Ms. Wang Ting has been appointed as an independent non-executive Director, a members of Audit Committee and the Nomination Committee and the chairman of the Remuneration Committee and Mr. Yiu Chun Wing ceased to be the chairman of the Remuneration Committee and remains as a member of the Remuneration Committee. Details of the changes are set out in the announcement of the Company dated 12 August 2026.

On 27 August 2026, Mr. Zhang Yu has resigned as an executive Director and a member of the Remuneration Committee due to his other business commitments and Ms. Li Qianwen has been appointed as an executive Director and member of the Remuneration Committee. Details of the changes are set out in the announcement of the Company dated 27 August 2026.

Continuing Connected Transactions in Relation to the Product Supply Framework Agreement

On 11 September 2026, Guangxi Meianxin Supply Chain Management Company Limited* (廣西美安欣供應鏈管理有限公司) (“**Guangxi Meianxin**”), a non-wholly owned subsidiary of the Company, entered into the Product Supply Framework Agreement (the “**Product Supply Framework Agreement**”) with Beihai Black Pearl Marine Biotechnology Company Limited* (北海黑珍珠海洋生物科技有限公司) (“**Beihai Black Pearl**”), a connected person of the Company at the subsidiary level by reason of its holding of 49% of the equity interest in Guangxi Meianxin, in relation to the purchase by the Group of skincare and beauty products (the “**Transactions**”) from Beihai Black Pearl for a term commencing retrospectively on 28 November 2025 and ending on 27 November 2026 (the “**Historical Transactions**”). The Transactions are subject to a proposed annual cap of RMB10,000,000 for the entire term from 28 November 2025 to 27 November 2026, including the portion attributable to the Historical Transactions.

As the applicable percentage ratios (calculated by reference to the Proposed Annual Cap) in respect of the Transactions are more than 5%, the Transactions are subject to the reporting, announcement, annual review, circular, independent financial advice and Independent Shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.

Details of the continuing connected transactions in relation to the product supply framework agreement are set out in the announcement of the Company dated 11 September 2026.

Save as disclosed in this announcement, there were no significant events subsequent to the Relevant Period and up to the date of this announcement which would materially affect the Group’s operating and financial performance.

MAJOR RISKS AND UNCERTAINTIES

The Group believes that the risk management practices are important and uses its best effort to ensure they are sufficient to mitigate the risks present in our operations and financial position as efficiently and effectively as possible. The following are the major risks and uncertainties of our business:

Major Risks Identified	Key Mitigations
Unfavourable fluctuation of foreign currencies resulting in realised/ unrealised exchange losses	• Convert extra cash in foreign currencies (e.g. Malaysian Ringgit, New Taiwan dollar etc.) into Hong Kong Dollar (“HKD”) • Monitor the currency movements and market performance on a daily and monthly basis • Maintain regular communications with the Head of Finance for up-to-date best measure to handle currency fluctuation and to identify the best timing to convert cash in foreign currencies to HKD • Explore options for conducting transactions in United States Dollar (“USD”)
Market trend shift resulting in increased competition from micro-influencer	• Engage micro-influencers to develop business opportunities in all regions • Revamp existing package to attract interests from advertising agencies
Loss of customers or members due to changes in social media preference	• Maintain good relationship with members and ensure all their feedbacks/ complaints are properly addressed • Organise member gatherings on a periodic basis • Launch new rewards programmes to members and provide special rewards to long-term members

Major Risks Identified

Key Mitigations

Rapid technological advancement makes current marketing campaigns obsolete

- Adopt agile marketing strategies and frameworks for campaign development, such as iterative planning and frequent testing to enable rapid responses to technology shifts derived from AI-driven platforms and new customer channels
- Keep monitoring the market and technology changes, and perform regular review on marketing campaigns

Disruptions to operation due to difficulties in retaining employees

- Bi-annual appraisal and salary review of employees
- Maintain good relationship with employees
- Open communication and promote transparency between management and employees
- Arrange teambuilding activities to maintain morale and loyalty
- Promote a better working environment

Major Risks Identified

Key Mitigations

Adverse changes in environmental, social and governance risks (including climate change risks) and regulatory changes

- Establish business contingency plans for operations of all regions
- Continuously monitor profit or loss forecasts, identify cost reduction opportunities and formulate cost control measures

Losses on selling the online advertising solutions

- Conduct a competitive pricing analysis to ensure price aligns with perceived value and market norms
- Regularly review previous sales history to refine the offerings

Non-compliance with the laws and regulations on data privacy, ad policy and intellectual property infringement

- Stay updated with regulatory changes for data privacy and intellectual property laws, and regularly review and update policies on a quarterly or bi-annually basis to ensure alignment with changing regulations

For other risks and uncertainties facing the Group, please refer to the section headed “Risk Factors” in the prospectus of the Company dated 16 March 2018.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Board of the Company is committed to achieving and maintaining high corporate governance standards to safeguard the interests of the shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the GEM Listing Rules as the basis of the Company’s corporate governance practices.

The Board is of the view that throughout the Relevant Period, the Company complied with all code provisions (“**CP**”) as set out in the Part 2 of the CG Code except as disclosed below.

Following the resignation of Ms. Meng Mei as the independent non-executive Director on 31 July 2026, (i) the number of independent non-executive Directors fell below the minimum number required under Rule 5.05(1) of the GEM Listing Rules; (ii) the number of members of the Audit Committee fell below the minimum number required under Rule 5.28 of the GEM Listing Rules; and (iii) the remuneration committee must comprise a majority of independent non-executive directors under Rule 5.34 of the GEM Listing Rules; and (iv) the Nomination Committee comprised members of only one gender, failing to meet the requirement of CP B.3.5 of the CG Code of Appendix C1 of the GEM Listing Rules. The Company has appointed Ms. Wang Ting as the independent non-executive Director on 12 August 2026 and has complied with the above requirements of the GEM Listing Rules after the appointment.

Under code provision C.2.1 of the CG Code, the roles of the chairman and the chief executive should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. During the period from 1 April 2025 to 29 January 2026, the Company did not have director designated as chairman and chief executive officer and the roles of chairman and chief financial officer have been performed by two executive Directors, Ms. Jenny Cheung and Mr. Garlos Lee collectively. Since the appointment of Mr. Xie Cheng as our chairman who focused on the business strategy and direction of the Company and provides leadership for the Board and Ms. Cai Ying as our chief executive officer who was accountable to the Board for the overall implementation of the Company’s strategies and the coordination of overall business operations on 30 January 2026, the Group re-complied with code provision C.2.1 of the CG Code.

Save for the above, the Company had complied with all code provisions as set out in the CG Code throughout the Relevant Period and, where appropriate, the applicable recommended best practices of the CG Code. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Relevant Period 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 (the "**Securities Dealing Code**").

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 fifteen months ended 30 June 2026.

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 incident of non-compliance with the Securities Dealing Code by the relevant employees was noted by the Company.

EVENTS AFTER THE REPORTING DATE

- (a) On 15 July 2026 the Company entered into a placing agreement (the "**Placing Agreement**") with a sole Placing Agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six placees who were independent third parties to subscribe for up to 135,535,101 ordinary Shares (the "**Placing**") at the placing price of HK\$0.026 (the "**Placing Price**") per Share, representing approximately 16.67% of the issued share capital of the Company immediately after the completion of the Placing.

The Placing was completed on 30 July 2026 in accordance with the terms and conditions of the Placing Agreement. An aggregate of 135,535,101 placing shares (the "**Placing Shares**"), representing approximately 16.67% of the issued share capital of the Company immediately after the completion of the Placing, have been successfully placed to not less than six placees at the Placing Price of HK\$0.026 per Placing Share.

The net proceeds derived from the placing amounted to approximately HK\$3.5 million (net of transaction costs of approximately HK\$0.2 million) and resulted in the increase in share capital of approximately HK\$1.4 million and share premium of approximately HK\$2.1 million.

For details of the Placing, please refer to the announcements of the Company dated 15 July 2026 and 30 July 2026.

CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION

Reference is made to the announcement of the Company dated 11 September 2026 (the “**Announcement**”) in relation to, among other things, the continuing connected transactions contemplated under the Product Supply Framework Agreement and the past non-compliance with Chapter 20 of the GEM Listing Rules. It came to the attention of the Company that Guangxi Meianxin Supply Chain Management Company Limited* (廣西美安欣供應鏈管理有限公司) (“**Guangxi Meianxin**”), a non-wholly owned subsidiary of the Company, had entered into transactions with Beihai Black Pearl Marine Biotechnology Company Limited* (北海黑珍珠海洋生物科技有限公司) (“**Beihai Black Pearl**”) for the purchase of skincare and beauty products from November 2025 to June 2026. Beihai Black Pearl is a connected person of the Company at the subsidiary level by reason of its 49% equity interest in Guangxi Meianxin. As one or more of the applicable percentage ratios in respect of such historical transactions in aggregate exceeded 5%, the transactions constituted continuing connected transactions of the Company subject to the reporting, announcement, annual review, circular, independent financial advice and independent shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules. Due to an inadvertent oversight and a misunderstanding as to the aggregation requirement under Chapter 20 of the GEM Listing Rules, the Company failed to timely comply with the applicable requirements before the transactions were conducted.

Upon becoming aware of the non-compliance, the Company immediately ceased the transactions with effect from July 2026. On 11 September 2026, Guangxi Meianxin entered into the Product Supply Framework Agreement with Beihai Black Pearl with a retrospective term commencing on 28 November 2025 and ending on 27 November 2026 and subject to a proposed annual cap of RMB10,000,000, in order to govern the transactions and seek the approval, confirmation and ratification of the independent shareholders at an extraordinary general meeting. The Company will only resume the transactions after obtaining such approval and complying in full with the applicable requirements under Chapter 20 of the GEM Listing Rules.

To prevent recurrence of similar incidents and enhance corporate governance, the Group has taken remedial measures to strengthen its internal control system in relation to connected transactions. Such measures include maintaining and regularly updating a register of connected persons across the Group, implementing counterparty screening procedures, establishing a regular monitoring and reporting mechanism for transaction amounts against applicable caps, and providing compliance training to Directors, senior management and relevant operational personnel. For further details of the Product Supply Framework Agreement, the transactions and the remedial actions, please refer to the Announcement.

DIVIDEND

The Board does not recommend the payment of a final dividend for the Relevant Period (Previous Year: Nil).

AUDIT COMMITTEE

The Audit Committee comprises three Independent Non-executive Directors, namely, Mr. Yiu Chun Wing, Ms. Wang Ting and Mr. Kwan Chi Hong. The chairman of the Audit Committee is Mr. Yiu Chun Wing, 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, significant financial reporting issues, operational and compliance controls, the effectiveness of the risk management and internal control systems and internal audit function for the fifteen months ended 30 June 2026.

ANNUAL GENERAL MEETING

A notice convening the annual general meeting of the Company will be published and dispatched to the shareholders of the Company in the manner as required by the GEM Listing Rules in due course.

SCOPE OF WORK OF INFINITY CPA LIMITED

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 fifteen months ended 30 June 2026 as set out in the preliminary announcement have been agreed by the Group's auditor, Infinity CPA Limited ("**Infinity**"), to the amounts set out in the Group's audited consolidated financial statements for the Relevant Period.

The work performed by Infinity in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by Infinity on the preliminary announcement.

PUBLICATION

The annual results announcement for the fifteen months ended 30 June 2026 is available for viewing on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hwaxiawater.com) respectively. The annual report of the Company for the fifteen months ended 30 June 2026 will be despatched to the relevant shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By Order of the Board
Hua Xia Water Group Limited
Yam Yuet Hang
Chairman

Hong Kong, 30 September 2026

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Yam Yuet Hang (Chairman), Ms. Cai Ying (Chief Executive Officer), Mr. Lee Wing Leung Garlos, Ms. Li Qianwen and Mr. Wong Tsz Tuk Alexis; and three independent non-executive Directors, namely Mr. Kwan Chi Hong, Ms. Wang Ting and Mr. Yiu Chun Wing.

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 “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its publication and on the website of the Company at <http://www.hwaxiawater.com>.