

HYPEBEAST

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Hypebeast Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00150)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2025

Annual Results

The board (the “**Board**”) of directors (the “**Directors**”) of Hypebeast Limited (the “**Company**”) presents the audited consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2025 (“**FY2025**”), together with the audited comparative figures for the year ended 31 March 2024 (“**FY2024**”), as follows:

Financial Highlights

	1H2025 HK\$'000	2H2025 HK\$'000	FY2025 HK\$'000	FY2024 HK\$'000
Revenue	360,498	306,023	666,521	895,652
– Media	278,618	223,856	502,474	608,272
– E-commerce and Retail	81,880	82,167	164,047	287,380
Gross profit	173,225	94,323	267,548	413,458
Gross profit margin	48.1%	30.8%	40.1%	46.2%
Selling and marketing expenses	(65,241)	(56,753)	(121,994)	(172,355)
Administrative and operating expenses	(84,577)	(78,027)	(162,604)	(213,636)
EBITDA*	45,224	(33,019)	12,205	72,898
Net profit/(loss)	20,235	(41,266)	(21,031)	22,307
Net profit/(loss) margin	5.6%	(13.5%)	(3.2%)	2.5%
Earnings/(Loss) per share				
– Basic (HK cent)	0.99	(2.01)	(1.02)	1.09
– Diluted (HK cent)	0.98	(2.00)	(1.02)	1.09

* Earnings before interest, tax, depreciation and amortization (“**EBITDA**”) is calculated as profit/(loss) before tax + interest expense + depreciation + amortization expense

The Board recommends the payment of a final dividend of HK\$0.0018 per ordinary share for FY2025.

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Key Business Highlights

- The Group recorded revenue of HK\$666.5 million in FY2025, representing a decrease of HK\$229.1 million or 25.6% as compared to FY2024;
- Gross profit of HK\$267.5 million in FY2025, down HK\$145.9 million or 35.3% as compared to FY2024, translating to a 6.1 percentage points decrease in gross profit margin from 46.2% in FY2024 to 40.1% in FY2025; and
- Net loss of HK\$21.0 million for FY2025, as compared to net profit of HK\$22.3 million in FY2024, primarily due to the inventory provisioning adjustment and the slowdown of media revenue in second half.

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Business Overview

The Group is a media and e-commerce and retail company primarily engaged in (i) the provision of creative advertising services and advertising spaces for global brands (the “**Media segment**”); and (ii) the sale of goods through its online and offline retail platform (the “**E-commerce and retail segment**”).

The Group produces and distributes youth-focused digital content centering on fashion, lifestyle, technology, arts & entertainment, culture and music to its visitors and followers. Digital content is distributed via the Group’s media platforms (including its Hypebeast, Hypebae and Popbee websites and mobile apps) and popular third-party social media platforms, including but not limited to Facebook, Instagram, X, TikTok, Youtube, Wechat, Weibo, Kakao and Naver. The Group also maintains multi-language versions of its flagship Hypebeast property across both website and social media platforms, with content available in English, Chinese, Japanese, Korean and Indonesian. The Group delivers bespoke creative solutions through its agency business to its brand clients, with services including but not limited to creative conceptualization, talent curation, technical production, campaign execution, data intelligence and distribution of digital media advertisement via the Group’s digital media platforms.

The Group engages in retail of footwear, apparel, accessories and other products under its HBX e-commerce platform and retail shop. The HBX e-commerce platform focuses on delivering the latest, trend-setting apparel, accessories and lifestyle products to its customers, curating and creating fashion-forward pieces and collaborations to include in its merchandise portfolio. Combining the Group’s unique insight into youth culture, and its longstanding reputation in the industry as a community and cultural leader, the Group is able to source and curate products most desired by its target demographic, thereby generating growing popularity and usage amongst shoppers.

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Business Prospect and Future Developments

Operational Efficiency and Profitable Growth

Building on the restructuring and margin optimization efforts implemented in FY2025, we are now entering a new phase of disciplined execution. Our focus on operational efficiency is intended not only to stabilize our cost base but to unlock capacity for strategic reinvestment in high-growth areas of the business. We are prioritizing operational efficiency and cost management to ensure profitable growth across all of our media and e-commerce and retail divisions. By optimizing our internal processes and carefully managing expenses, we aim to maximize profitability, unlock resources for strategic reinvestment and position Hypebeast for sustainable long-term growth.

Some of the key initiatives in this area include:

- Prioritizing the correct balance of staffing across our divisions relative to impact on results and return on investment;
- Automating repetitive administrative tasks through intelligent workflow automation, freeing up our teams to focus on higher-value activities;
- Continuously reviewing and optimizing our process of delivering our products and services to save time and costs for both the company and our customers and clients;
- Rigorously evaluating our technology stack to ensure we are leveraging the most efficient and cost-effective solutions; and
- Implementing stringent cost controls and budgeting measures to maintain discipline across all operational expenditures.

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Focus on Engagement and Community

At the core of Hypebeast's business is our vibrant, globally-engaged community of young, style-conscious and culturally aware readers and consumers. We are deeply committed to nurturing these relationships and empowering our audience to become active participants across our platforms and points of engagement.

Our key initiatives in this area include:

- Investing in community management and delivering meaningful, thought provoking content to foster community dialogue, strengthen brand loyalty, and drive user engagement;
- Developing and curating immersive virtual and physical experiences that bring our readership and consumer community together around shared passions and interests;
- Collaborating with influential figures, tastemakers, and industry partners to curate content and product offerings that resonate with our target demographic; and
- Exploring topic adjacencies that are culturally important and relevant to our audience, such as golf, arts, entertainment and technology, and developing a unique way to experience these themes through the Hypebeast lens.

By placing our readership and consumer community at the heart of our strategy, we can deepen our understanding of their evolving needs and preferences, unlock new avenues for growth, and solidify Hypebeast's position as a trusted, go-to destination for youth culture and style.

Strengthen the Hypebeast Ecosystem

At the heart of Hypebeast's business lies a powerful, interconnected network that unites our core divisions of media and e-commerce and retail and agency services. This end-to-end model gives us a competitive edge few youth-focused platforms can replicate.

Our media platforms serve as the heart of the Hypebeast community, engaging our readers with captivating content that shapes trends and fuels cultural discourse. This, in turn, empowers our e-commerce and retail division to serve as a direct conduit to our engaged, style-conscious consumer base. The data and insights gleaned from our e-commerce and retail operations inform our media strategy, enabling us to deliver personalized, relevant content and product recommendations that anticipate and meet the evolving needs of our community.

Our agency business offers a unique opportunity to bridge the gap between our media influence and e-commerce and retail capabilities. By tapping into the wealth of data, insights, and creative expertise within our agency division, we can continuously optimize our own media and e-commerce and retail strategies, ensuring that we remain at the forefront of youth culture and style.

We aim to upgrade our platform into a more cohesive and effective system to further benefit from this virtuous cycle of growth and influence, bridging the relationship between brands and our audience and driving customer acquisition and conversion.

Business and Financial Review

Media Segment

Revenue and gross profit of the Media segment for FY2025 and FY2024, are as follows:

	1H2025 HK\$'000	2H2025 HK\$'000	FY2025 HK\$'000 (Audited)	FY2024 HK\$'000 (Audited)	Change HK\$'000	% Change
Revenue	278,618	223,856	502,474	608,272	(105,798)	(17.4%)
Gross Profit	145,439	78,728	224,167	327,114	(102,947)	(31.5%)
Gross Profit Margin	52.2%	35.2%	44.6%	53.8%		

- Revenue from the Media segment amounted to HK\$502.5 million in FY2025, a decrease of 17.4% against a comparative of HK\$608.3 million in FY2024. The Group's Media segment experienced a slowdown in revenue growth, particularly in the United States. This was primarily due to a cyclical slowdown in discretionary advertising spend among select brand partners, as well as a more cautious marketing environment amid broader macroeconomic uncertainty.
- Gross profit of the Media segment amounted to HK\$224.2 million in FY2025, representing a decrease of HK\$102.9 million, or 31.5%, versus FY2024. Gross profit margin decreased from 53.8% in FY2024 to 44.6% in FY2025. The difference was mainly due to the aforementioned lower-than-expected revenue as well as campaign costs associated with "in real life" sales executions produced by the Group during FY2025.
- Gross profit in the first half of FY2025 was HK\$145.4 million, compared to HK\$78.7 million recorded in the second half of FY2025. The decrease in gross profit margin in the second half of FY2025 was driven by the lower-than-expected sales and profitability across the regions.

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E-Commerce and Retail Segment

Revenue and gross profit of the E-commerce and retail segment for FY2025 and FY2024, are as follows:

	1H2025 HK\$'000	2H2025 HK\$'000	FY2025 HK\$'000 (Audited)	FY2024 HK\$'000 (Audited)	Change HK\$'000	% Change
Revenue	81,880	82,167	164,047	287,380	(123,333)	(42.9%)
Gross Profit	27,786	15,595	43,381	86,344	(42,963)	(49.8%)
Gross Profit Margin	33.9%	19.0%	26.4%	30.0%		

- Revenue from the E-commerce and retail segment decreased from HK\$287.4 million in FY2024 to HK\$164.0 million in FY2025, or a decrease of 42.9%. Gross profit of the E-commerce and retail segment amounted to HK\$43.4 million in FY2025, representing a decrease of HK\$43.0 million, or 49.8%, as compared to FY2024. This translates to a gross profit margin of 26.4% in FY2025, a decrease of 3.6 percentage points as compared to 30.0% in FY2024. As part of our continued focus on prudent financial management and inventory optimisation, the Group recognised a non-cash, one-time impairment charge of HK\$14.2 million on certain legacy inventory to reflect its estimated net realisable value under current market conditions. While impacting reported profitability for the reporting period, this adjustment strengthens our balance sheet and positions the Group for improved inventory efficiency going forward.
- The decrease in revenue from E-commerce and retail segment was primarily driven by management's right sizing of the e-commerce business and an increase in promotion and discounts deployed in the course of improving the Group's inventory portfolio.

Cost of Revenue

The Group's cost of revenue decreased from HK\$482.2 million for FY2024 to HK\$399.0 million for FY2025, representing a decrease of approximately 17.3%. The decrease was mainly attributable to a decline in sales under both the Media and E-commerce and retail segments during FY2025.

Gross Profit Margin

Gross profit of the Group decreased from HK\$413.5 million for FY2024 to HK\$267.5 million for FY2025, representing a decrease of approximately 35.3%. The decrease was mainly caused by the decrease in revenue for FY2025 as discussed above. The overall gross profit margin decreased from approximately 46.2% for FY2024 to approximately 40.1% for FY2025, primarily due (i) the non-cash, one-time impairment charge on the inventory balance from the E-commerce and retail segment; and (ii) the lower-than-expected sales and the campaign costs associated with "in real life" sales executions from the Media segment.

Selling and Marketing Expenses

Selling and marketing expenses of the Group decreased by 29.2% from HK\$172.4 million in FY2024 to HK\$122.0 million in FY2025 and, correspondingly as a percentage of revenue, decreased from 19.2% in FY2024 to 18.3% in FY2025, primarily due to an efficiency improvement exercise deployed by the Group during the fiscal year. The Group holistically scrutinized all of the Company's expenses and significantly downsized both people and processes in order to improve margin and profitability whilst maintaining productivity.

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A reduction in marketing expenses also drove a portion of the decrease. The Group shifted its marketing strategy from higher cost paid channels to lower cost organic marketing channels to drive customer acquisition and conversion within the E-commerce and retail segment.

Such cost savings are expected to continue its positive impact to the Group's financial results in the next fiscal year.

Administrative and Operating Expenses

Administrative and operating expenses of the Group decreased by 23.9% from HK\$213.6 million in FY2024 to HK\$162.6 million in FY2025. The decrease was mainly led by the Group's cost efficiency actions to improve margin and profitability, primarily through efficiencies and reductions in office space footprint as well as headcount optimizations. As with Selling and Marketing expenses, the impact of cost savings measures are expected to continue its positive impact to the Group's financial results in the next fiscal year. Correspondingly as a percentage of revenue, it increased from 23.9% in FY2024 to 24.4% in FY2025.

Cash Flow

Net cash inflow from operating activities of HK\$75.7 million in FY2025 as compared to HK\$70.6 million in FY2024. Such net cash inflow was mainly driven by the decrease in trade and other receivables due to the better collection processes and cycles and inventory reductions through optimized procurement.

Net cash used in investing activities amounted to HK\$92.3 million in FY2025, compared to cash outflows of HK\$15.2 million in FY2024. Such cash outflows were mainly due to the placement of time deposits with maturity over three months.

Net cash used in financing activities amounted to HK\$58.2 million in FY2025 as compared to HK\$31.5 million in FY2024. Such cash outflows primarily due to the dividends paid and the Group's rentals paid of office, retail and warehouse space.

Extracts of cash flow	FY2025 HK\$'000 (Audited)	FY2024 HK\$'000 (Audited)
Net cash from operating activities	75,677	70,577
Net cash used in investing activities	(92,274)	(15,205)
Net cash used in financing activities	(58,245)	(31,503)
Net (decrease) increase in cash and cash equivalents	(74,842)	23,869
Cash and cash equivalents at beginning of the year	183,492	166,021
Effect of foreign exchange rate changes	(651)	(6,398)
Cash and cash equivalents at end of the year, representing bank balances and cash	107,999	183,492

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Revenue	3	666,521	895,652
Cost of revenue		(398,973)	(482,194)
Gross profit		267,548	413,458
Other income, other gains and losses	5	(1,749)	2,884
Selling and marketing expenses		(121,994)	(172,355)
Administrative and operating expenses		(162,604)	(213,636)
Impairment losses under expected credit losses model, net of reversal		(928)	(1,739)
Impairment loss reversed on intangible assets		–	7,255
Finance costs		(2,547)	(3,051)
(Loss) profit before tax		(22,274)	32,816
Income tax credit (expense)	6	1,243	(10,509)
(Loss) profit for the year	7	(21,031)	22,307
Other comprehensive expense for the year:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		(5,739)	(11,578)
Surplus on revaluation of intangible assets		5,316	–
Other comprehensive expense for the year		(423)	(11,578)
Total comprehensive (expense) income for the year		(21,454)	10,729
(Loss) earnings per share	9		
– Basic (HK cent)		(1.02)	1.09
– Diluted (HK cent)		(1.02)	1.09

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Consolidated Statement of Financial Position

At 31 March 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		17,251	40,715
Intangible assets		26,470	21,258
Right-of-use assets	10	28,917	37,582
Financial assets at fair value through profit or loss ("FVTPL")		11,114	11,114
Interest in an associate		3,916	–
Rental and other deposits	11	5,912	6,047
Deferred tax assets		9,800	1,404
		103,380	118,120
Current assets			
Inventories		45,759	77,924
Trade and other receivables	11	164,208	189,960
Tax prepayments		9,591	20,915
Contract assets	12	6,656	9,625
Pledged bank deposits		10,000	10,438
Time deposits with original maturity over three months		114,673	19,403
Cash and cash equivalents		107,999	183,492
		458,886	511,757
Current liabilities			
Trade and other payables	13	77,098	73,387
Contract liabilities	14	31,386	27,115
Lease liabilities	15	10,302	18,308
Tax payables		1,985	4,686
		120,771	123,496
Net current assets		338,115	388,261
Total assets less current liabilities		441,495	506,381
Non-current liability			
Lease liabilities	15	14,900	26,049
Net assets		426,595	480,332
Capital and reserves			
Share capital	16	20,505	20,541
Reserves		406,090	459,791
		426,595	480,332

NOTES:

1. General Information

The Company was incorporated in the Cayman Islands as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 25 September 2015. The Company's shares were listed on Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

Its registered office is located at Vistra (Cayman) Limited, P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands. The address of its principal place of business is 40/F, Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong.

The Company is an investment holding company and its subsidiaries and variable interest entity (hereinafter together with the Company collectively referred to as the "**Group**") are principally engaged in the provision of advertising spaces services, provision of services for creative agency projects, publication of magazines and operation of online and offline retail platform. Its parent and ultimate holding company is CORE Capital Group Limited, a private company incorporated in the British Virgin Islands. Its ultimate controlling party is Mr. Ma Pak Wing Kevin ("**Mr. Ma**").

The consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), which are the same as the functional currency of the Company.

2. Application of New and Amendments to IFRS Accounting Standards

Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRS Accounting Standards, International Accounting Standards ("**IASs**"), and interpretations issued by the International Accounting Standards Board, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2024 for the preparation of the Group's consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRS Accounting Standards in the current reporting period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

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3. Revenue

Disaggregation of revenue from contracts with customers

Segments	Media		E-commerce and retail		Total	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Sales of goods through online and offline retail platform	–	–	147,750	269,347	147,750	269,347
Commission fee from consignment sales	–	–	2,540	3,560	2,540	3,560
Provision of advertising spaces	386,923	473,037	3,465	738	390,388	473,775
Provision of services for creative agency projects	107,427	134,813	–	–	107,427	134,813
Publication of magazines	1,218	422	–	–	1,218	422
Exhibition income	6,906	–	4,161	9,068	11,067	9,068
Beverage income	–	–	6,131	4,667	6,131	4,667
Total revenue from contracts with customers	502,474	608,272	164,047	287,380	666,521	895,652
Geographical markets						
Hong Kong	44,676	32,134	55,330	81,388	100,006	113,522
PRC	58,941	66,010	21,700	37,423	80,641	103,433
United States (“US”)	194,497	251,564	35,187	71,357	229,684	322,921
Other countries	204,360	258,564	51,830	97,212	256,190	355,776
Total	502,474	608,272	164,047	287,380	666,521	895,652
Timing of revenue recognition						
A point in time	115,551	135,235	160,582	279,776	276,133	415,011
Over time	386,923	473,037	3,465	7,604	390,388	480,641
Total	502,474	608,272	164,047	287,380	666,521	895,652

4. Segment Information

Information reported to the Chief Executive Officer (“CEO”) of the Group, being the chief operating decision maker (“CODM”) for the purpose of resource allocation and assessment of segment performance focuses on types of goods delivered, or service provided. The CODM has chosen to organise the Group’s results according to the category of the business segment and differences in nature of the goods and services that each segment delivers. No operating segments identified by CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s reportable and operating segments under IFRS 8 Operating Segments are as follows:

Media segment	—	Provision of advertising spaces, provision of services for creative agency projects and publication of magazines
E-commerce and retail segment	—	Operation of online and offline retail platform for the sale of third-party branded clothing, shoes and accessories, commission fee from consignment sales, provision of advertising space, exhibition income and beverage income.

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

Year ended 31 March 2025

	Media HK\$'000	E-commerce and retail HK\$'000	Consolidated HK\$'000
Total segment revenue	502,474	164,047	666,521
Segment results	83,973	(33,492)	50,481
Finance costs			(2,547)
Interest income			6,216
Share-based payment expense			(1,343)
Central administration costs			(59,393)
Unallocated expenses			(15,688)
Loss before tax			(22,274)

Year ended 31 March 2024

	Media HK\$'000	E-commerce and retail HK\$'000	Consolidated HK\$'000
Total segment revenue	608,272	287,380	895,652
Segment results	159,763	(39,012)	120,751
Finance costs			(199)
Interest income			3,524
Share-based payment expense			(2,998)
Gain on fair value changes of financial assets at FVTPL			506
Reversal of impairment losses recognised on intangible assets			7,255
Central administration costs			(61,492)
Unallocated expenses			(34,531)
Profit before tax			32,816

5. Other Income, Other Gains and Losses

	2025 HK\$'000	2024 HK\$'000
Net exchange losses	983	2,112
Gain on fair value changes of financial assets at FVTPL	–	(506)
Penalty on customers for overdue settlement	–	(2)
Bank interest income	(6,216)	(3,524)
Gain on lease modification	(5,742)	(66)
Loss on disposal of property, plant and equipment	13,965	872
Others	(1,241)	(1,770)
	1,749	(2,884)

6. Income Tax (Credit) Expense

	2025 HK\$'000	2024 HK\$'000
Current tax:		
– Hong Kong Profits Tax	–	1,944
– The PRC Enterprise Income Tax (“EIT”)	3,918	1,860
– Japan Corporate Income Tax	3,235	2,759
– Other jurisdictions	–	1,501
PRC withholding tax on distributed profits from PRC subsidiaries	–	2,734
	7,153	10,798
Deferred tax:		
Credit for the year	(8,396)	(289)
	(1,243)	10,509

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%.

Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

The basic tax rate of the Company’s PRC subsidiaries is 25% for both years under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulations of the EIT Law.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdiction.

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7. (Loss) Profit for the Year

	2025 HK\$'000	2024 HK\$'000
(Loss) Profit for the year has been arrived at after charging:		
Directors' remuneration	6,589	6,985
Other staff costs		
– salaries and allowances	236,597	299,837
– discretionary bonus	1,628	–
– retirement benefits scheme contribution	9,337	11,228
– Share-based payment expense	529	1,820
Total directors and other staff costs	254,680	319,870
Auditor's remuneration	980	980
Cost of inventories recognised as an expense (included in cost of revenue)	101,559	178,098
Depreciation of property, plant and equipment	14,433	12,152
Depreciation of right-of-use assets	17,400	24,780
Amortisation of intangible assets	99	99
Write-down of inventories (included in cost of revenue)	14,186	10,019

8. Dividends

During the year ended 31 March 2025, a final dividend of HK\$0.00359 per ordinary share in an aggregate amount of HK\$7,370,000 in respect of the results for the year ended 31 March 2024, a special dividend of HK\$0.01063 per ordinary share in an aggregate amount of HK\$21,830,000 and interim dividend of HK\$0.00179 per share amounting to HK\$3,686,000 were declared in respect of the results for the six months ending 30 September 2025 and paid to the owners of the Company.

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 March 2025 of HK\$0.0018 per ordinary share, in an aggregate amount of HK\$3,686,000 have been proposed by the Directors and is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

9. (Loss) Earnings Per Share

The calculation of the basic and diluted (loss) earnings per share for the years ended 31 March 2025 and 2024 is based on the following data:

	2025 HK\$'000	2024 HK\$'000
(Loss) earnings		
(Loss) earnings for the purpose of basic and diluted (loss) earnings per share		
(Loss) profit for the year attributable to owners of the Company	(21,031)	22,307

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	2025 '000	2024 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	2,053,492	2,054,129
Effect of dilutive potential ordinary shares:		
Share options issued by the Company	–	784
Weighted average number of ordinary shares for the purpose of diluted (loss) earnings per share	2,053,492	2,054,913

The computation of diluted loss per share for the year ended 31 March 2025 did not assume the exercise of share options granted since the exercise would result in a decrease in loss per share for the year ended 31 March 2025.

For the year ended 31 March 2024, diluted earnings per share did not assume the exercise of certain share options granted by the Company since the exercise prices for the computation of diluted earnings per share of those share options were higher than the average market price for shares.

10. Right-of-Use Assets

	Leased properties HK\$'000
As at 31 March 2024	
Carrying amount	37,582
As at 31 March 2025	
Carrying amount	28,917
For the year ended 31 March 2024	
Depreciation charge	24,780
For the year ended 31 March 2025	
Depreciation charge	17,400

The above right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful lives and the respective lease terms ranging from one to seven years.

11. Trade and Other Receivables

	2025 HK\$'000	2024 HK\$'000
Trade receivables	118,293	125,372
Unbilled receivables (Note (b))	22,582	17,181
Trade and unbilled receivables	140,875	142,553
Less: allowance for credit losses	(2,425)	(2,437)
Trade and unbilled receivables (net carrying amount)	138,450	140,116
Advance to staff	1,050	1,533
Rental and utilities deposits	11,068	14,652
Prepayments	13,184	18,744
Other receivables	6,368	15,855
Consideration receivable related to disposal of a joint venture	–	3,149
Deposit paid for long term investment	–	1,958
Total	170,120	196,007
Analysed as:		
Current	164,208	189,960
Non-current (Note (a))	5,912	6,047
Total	170,120	196,007

Notes:

- a) The amounts included certain rental deposits and deposit paid for long term investment.
- b) Certain tax bureaus in the PRC have set monthly quotas on the aggregate invoice amounts for transactions in the Media segment. The unbilled receivables represent the amount of unconditional right to the consideration for completed performance obligations but the related invoices have not yet been issued as at year end as the quota limit has been exceeded.

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As at 1 April 2023, trade and unbilled receivables from contracts with customers amounted to HK\$145,867,000.

The Group allows credit periods ranging from 30 to 60 days to its trade customers derived from provision of advertising spaces and creative agency projects, whereas no credit period is granted to customers from online and offline retail platforms, consignor from consignment sales commission income and subscribers of magazines. The following is an aging analysis of trade receivables presented based on the invoice date at the end of the reporting period:

	2025 HK\$'000	2024 HK\$'000
Within 60 days	87,377	93,014
61–90 days	10,576	7,147
91–180 days	11,169	21,329
181–365 days	3,787	2,016
Over 365 days	5,384	1,866
	118,293	125,372

As at 31 March 2025, included in the Group's trade and unbilled receivables balance are debtors with aggregate gross carrying amounts of HK\$17,685,000 (2024: HK\$26,284,000) which are past due as at the reporting date. Out of the past due balances, HK\$9,058,000 (2024: HK\$5,401,000) has been past due 90 days or more and are not considered as in default as there had not been a significant change in credit quality and the amounts were still considered recoverable based on historical experience. The Group does not hold any collateral over these balances and the Group will further charge at 1.5% (2024: 1.5%) on overdue balances of certain customers pursuant to the contracts upon negotiation as a penalty of overdue settlement.

12. Contract Assets

	2025 HK\$'000	2024 HK\$'000
Provision of advertising spaces	6,656	9,625

As at 1 April 2023, contract assets amounted to HK\$13,028,000.

The contract assets primarily relate to the Group's right to consideration for the advertisement launched in the online platform or social media platform but not billed because the rights are conditioned on the satisfaction of the target impression rate or click rate pursuant to the contract. The contract assets are transferred to trade and unbilled receivables upon the satisfaction of the target impression rate or click rate and the end of advertising period.

As at 31 March 2025 and 2024, all contract assets are expected to be settled within one year, and accordingly classified as current.

13. Trade and Other Payables

	2025 HK\$'000	2024 HK\$'000
Trade payables	23,032	20,726
Commission payable to staff	9,844	8,993
Accrual for campaign cost (Note)	2,804	7,992
Other payables and accrued expenses	41,418	35,676
	77,098	73,387

Note: Accrual for campaign cost represents the best estimate of accrual for expenses incurred for rendering the creative agency campaign and media project which include video shooting and photography.

The average credit period on purchases of goods is 30 days. The aging analysis of the Group's trade payables below is presented based on the invoice date at the end of the reporting period:

	2025 HK\$'000	2024 HK\$'000
Within 30 days	12,125	10,313
31–60 days	2,123	3,710
61–90 days	2,553	1,138
Over 90 days	6,231	5,565
	23,032	20,726

14. Contract Liabilities

	2025 HK\$'000	2024 HK\$'000
Provision of advertising spaces (Note a)	24,884	25,374
Sales of goods through online retail platform (Note b)	5,357	596
Customer loyalty scheme (Note c)	1,145	1,145
	31,386	27,115

As at 1 April 2023, contract liabilities amounted to HK\$17,716,000.

Notes:

- The Group receives 50% of the contract value as deposits from new customers when they sign the contracts for provision of advertising spaces. The deposits and advance payment schemes result in contract liabilities being recognised until the advertisement launched in relevant spaces and relevant benefits received by the customers. During the year ended 31 March 2025, the Group has recognised revenue of HK\$25,374,000 (2024: HK\$16,151,000) that was included in the contract liabilities balance at the beginning of the respective year. All contract liabilities attributable to the provision of advertising spaces and services for creative agency projects as at 31 March 2025 are expected to be recognised as revenue within 1 year.
- When the Group receives the payment in full before the goods is shipped/delivered, this will give rise to contract liabilities at the start of a contract, until the revenue recognised when the goods is shipped/delivered to the customers. During the year ended 31 March 2025, the Group has recognised revenue of HK\$596,000 (2024: HK\$420,000) that was included in the contract liabilities balance at the beginning of the respective year. All contract liabilities attributable to the sales of goods through online retail platform as at 31 March 2025 are expected to be recognised as revenue within 1 year.

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- c) The Group grants award credits for customers for sales under the Group's customer loyalty scheme. The customers can use the award credits to purchase the goods through the Group's online retail platform in future purchases. The award credits has an expiry period of one year.

15. Lease Liabilities

	2025 HK\$'000	2024 HK\$'000
Lease liabilities payable:		
Within one year	10,302	18,308
In more than one year but not more than two years	12,783	11,682
In more than two years but not more than five years	2,117	14,367
	25,202	44,357
Less: Amount due for settlement with 12 months shown under current liabilities	(10,302)	(18,308)
Amount due for settlement after 12 months shown under non-current liabilities	14,900	26,049

The incremental borrowing rates applied to lease liabilities range from 3.50% to 6.50% (2024: 2.77% to 4.38%) per annum.

16. Share Capital

The movements in the Company's authorised and issued ordinary share capital are as follows:

	Number of shares	Share capital HK\$
Ordinary shares of HK\$0.01 each		
Authorised:		
As 1 April 2023, 31 March 2024 and 31 March 2025	6,000,000,000	60,000,000
Issued:		
At 1 April 2023 and 31 March 2024	2,054,129,231	20,541,293
Shares repurchased and cancelled (Note)	(3,575,600)	(35,756)
At 31 March 2025	2,050,553,631	20,505,537

Note: During the year ended 31 March 2025, the Company repurchased and cancelled 3,575,600 of its own ordinary shares through The Hong Kong Stock Exchange, and the total amount paid of HK\$740,000 to acquire the cancelled shares and the amount was deducted from equity.

Month of repurchase	Number of ordinary shares repurchased '000	Price per share Highest HK\$	Lowest HK\$	Aggregate consideration paid HK\$'000
December 2024	899	0.223	0.212	195
January 2025	1,081	0.230	0.188	233
February 2025	1,596	0.198	0.188	312
	3,576			740

Proposed Final Dividend

The Board has recommended the payment of a final dividend of HK\$0.0018 per ordinary share for FY2025 (the **“Proposed Final Dividend”**) (FY2024: a final dividend of HK\$0.00359 per ordinary share and a special dividend of HK\$0.01063 per ordinary share). The Proposed Final Dividend is subject to the approval of shareholders of the Company (the **“Shareholders”**) at the annual general meeting of the Company to be held on Tuesday, 26 August 2025 (the **“AGM”**). The Proposed Final Dividend will be paid in cash on Wednesday, 10 September 2025 to the Shareholders whose names appear on the register of members of the Company at the close of business on Tuesday, 2 September 2025.

Closure of Register of Members

(a) Entitlement to attend and vote at the AGM

For determining the entitlement of the Shareholders to attend and vote at the AGM, the Company's register of members will be closed from Thursday, 21 August 2025 to Tuesday, 26 August 2025, both dates inclusive, during which period no transfer of shares will be registered. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM will be Tuesday, 26 August 2025. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 20 August 2025.

(b) Entitlement to the Proposed Final Dividend

For determining the entitlement of the Shareholders to receive the Proposed Final Dividend, the Company's register of members will be closed on Tuesday, 2 September 2025 on which no transfer of shares will be registered. The record date for determining the entitlement of the Shareholders to receive the Proposed Final Dividend will be Tuesday, 2 September 2025. In order to be eligible to receive the Proposed Final Dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, 1 September 2025.

Purchase, Sale or Redemption of Listed Securities of The Company

During the year ended 31 March 2025 and up to the date of this announcement, the Company repurchased a total of 6,384,000 ordinary shares (the “**Shares Repurchased**”) of the Company on the Stock Exchange at an aggregate consideration of approximately HK\$1,158,819.76. Particulars of the Shares Repurchased are as follows:

Month/Year	Number of Shares Repurchased	Price paid per share		Aggregate consideration HK\$
		Highest HK\$	Lowest HK\$	
December 2024	898,800	0.223	0.212	195,489.00
January 2025	1,080,800	0.230	0.188	233,190.16
February 2025	1,596,000	0.198	0.188	311,958.08
April 2025	2,808,400	0.160	0.134	418,182.52
Total	6,384,000			1,158,819.76

A total of 3,575,600 shares repurchased from 12 December 2024 to 27 February 2025 and a total of 2,808,400 shares repurchased from 8 April 2025 to 17 April 2025 were cancelled on 28 March 2025 and 9 June 2025, respectively.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (or sold treasury shares, if any) during the year ended 31 March 2025. As at 31 March 2025 and as at the date of this announcement, the Company did not hold any treasury shares.

Corporate Governance Practice

The Company recognizes the importance of corporate transparency and accountability. The Company is committed to achieving and maintaining a high standard of corporate governance, as the Board believes that effective corporate governance practices are key to obtaining and maintaining the trust of the shareholders and other stakeholders of the Company, and are essential for encouraging accountability and transparency so as to sustain the success of the Group in its creation of long-term value for the shareholders of the Company.

To the best knowledge of the Board, the Company has met the code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) during the year ended 31 March 2025, save for the deviation from the code provisions C.2.1.

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Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established. Mr. Ma Pak Wing Kevin currently assumes the role of both chairman and chief executive officer of the Company. The Board considers that consolidation of these roles by Mr. Ma provides strong and consistent leadership to the Company which facilitates effective planning and efficient management of the Company.

Furthermore, having considered Mr. Ma's extensive experience in the digital media industry, the relationships Mr. Ma has built with the customers and the historical development of the Group, the Board considers that it is beneficial for the Group for Mr. Ma to continue to act as both Chairman and Chief Executive Officer of the Company.

Directors' Securities Transactions

The Company adopted the required standard of dealings set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, as part of its code of conduct regarding Directors' transactions in the securities of the Company. Specific enquiry has been made of all the Directors and all Directors confirmed that they had fully complied with the required standard of dealings and there was no event of non-compliance throughout the period from 1 April 2024 to the date of this announcement.

Audit Committee

The audit committee of the Company consists of three members, being the three independent non-executive Directors, namely Mr. Wong Kai Chi (Chairman), Ms. Poon Lai King and Ms. Kwan Shin Luen Susanna. The audit committee of the Company has reviewed the consolidated financial statements of the Group for the year ended 31 March 2025 and is of the opinion that the consolidated financial statements of the Group for the year ended 31 March 2025 comply with applicable accounting standards, the Listing Rules and that adequate disclosures have been made.

Events After The Reporting Period

Save as disclosed above, there were no important events subsequent to the end of the reporting period and up to the date of this announcement, which would affect the Group's business operations in material aspects.

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Scope of Work of Messrs. Deloitte Touche Tohmatsu

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 19 June 2025. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on this preliminary announcement.

By Order of the Board

Hypebeast Limited

Ma Pak Wing Kevin

Chairman and executive Director

Hong Kong, 19 June 2025

As at the date of this announcement, the executive Directors are Mr. Ma Pak Wing Kevin and Ms. Lee Yuen Tung Janice; and the independent non-executive Directors are Ms. Kwan Shin Luen Susanna, Ms. Poon Lai King and Mr. Wong Kai Chi.