

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited 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.



偉俊生物科技有限公司

Wai Chun Bio-Technology Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 660)

ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2025

The board of directors (the “**Board**”) of Wai Chun Bio-Technology Limited (the “**Company**”) hereby announces the audited consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 30 June 2025 (the “**Year**”) together with the comparative figures for the year ended 30 June 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 30 June 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	5	377,168	370,069
Cost of sales		<u>(341,164)</u>	<u>(335,888)</u>
Gross profit		36,004	34,181
Other income and other gains and losses, net	7	1,113	1,271
Selling expenses		(14,077)	(12,428)
Administrative expenses		(20,828)	(20,304)
Reversal of impairment losses/(impairment losses) on receivables under expected credit loss model, net		4,257	(4,829)
Impairment losses on property, plant and equipment		(1,748)	(58,149)
Finance costs	8	<u>(13,652)</u>	<u>(17,909)</u>
Loss before tax		(8,931)	(78,167)
Income tax (expense)/credit	9	<u>(1,770)</u>	<u>12,460</u>
Loss for the year	10	<u><u>(10,701)</u></u>	<u><u>(65,707)</u></u>
(Loss)/profit for the year attributable to:			
– Owners of the Company		(14,623)	(44,212)
– Non-controlling interests		<u>3,922</u>	<u>(21,495)</u>
		<u><u>(10,701)</u></u>	<u><u>(65,707)</u></u>
		HK cents	HK cents
Loss per share			
– Basic and diluted	11	<u><u>(8.43)</u></u>	<u><u>(25.78)</u></u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

	2025 HK\$'000	2024 <i>HK\$'000</i>
Loss for the year	(10,701)	(65,707)
Other comprehensive income/(expense):		
<i>Item that may be reclassified to profit or loss:</i>		
Exchange differences on translating foreign operations	<u>1,000</u>	<u>(72)</u>
Total comprehensive expense for the year	<u>(9,701)</u>	<u>(65,779)</u>
Total comprehensive (expense)/income for the year attributable to:		
– Owners of the Company	(14,113)	(44,248)
– Non-controlling interests	<u>4,412</u>	<u>(21,531)</u>
	<u>(9,701)</u>	<u>(65,779)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

		2025	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		67,608	54,272
Right-of-use assets		25,613	26,425
Deferred tax assets		14,668	14,403
		107,889	95,100
Current assets			
Inventories		56,530	33,711
Trade receivables	12	28,787	29,160
Deposits, prepayments and other receivables		14,891	49,366
Bank balances and cash		6,558	2,161
		106,766	114,398
Current liabilities			
Trade payables	13	76,663	99,054
Accruals and other payables		103,130	26,413
Contract liabilities		1,288	2,323
Borrowings		76,435	47,379
Tax payable		1,037	1,046
Lease liabilities		–	1,134
Convertible bonds		11,040	73,985
Loans from the ultimate holding company		7,715	2,513
		277,308	253,847
Net current liabilities		(170,542)	(139,449)
Total assets less current liabilities		(62,653)	(44,349)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*At 30 June 2025*

	<i>Note</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current liability			
Convertible bonds		<u>—</u>	<u>10,891</u>
Net liabilities		<u>(62,653)</u>	<u>(55,240)</u>
Capital and reserves			
Share capital	<i>14</i>	44,619	42,869
Reserves		<u>(135,697)</u>	<u>(122,122)</u>
Capital deficiency attributable to owners of the Company		(91,078)	(79,253)
Non-controlling interests		<u>28,425</u>	<u>24,013</u>
Capital deficiency		<u>(62,653)</u>	<u>(55,240)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands with limited liability. The address of its registered office is P.O. Box 31119, Grand Pavilion, Hibiscus Bay, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands. The address of its principal place of business is Rooms 4001-02, 40/F., China Resources Building, No. 26 Harbour Road, Wan Chai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The principal activities of the Group are the manufacture and sale of modified starch and other biochemical products.

In the opinion of the directors of the Company (the "**Directors**"), as at 30 June 2025, Chinese Success Limited ("**Chinese Success**"), a company incorporated in the British Virgin Islands, is the immediate holding company; Wai Chun Investment Fund ("**Wai Chun IF**"), a company incorporated in the Cayman Islands, is the ultimate holding company; and Mr. Lam Ching Kui ("**Mr. Lam**") is the ultimate controlling shareholder of the Company.

The consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), which is also the functional currency of the Company. In addition, the functional currencies of certain Group entities that operate outside Hong Kong are determined based on the currency of the primary economic environment in which the Group entities operate.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations ("**Ints**"), issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange and the Hong Kong Companies Ordinance.

3. GOING CONCERN BASIS

The Group incurred a loss of approximately HK\$10,701,000 for the year ended 30 June 2025 and as at 30 June 2025, the Group had net current liabilities and net liabilities of approximately HK\$170,542,000 and HK\$62,653,000 respectively. These events or conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. The Directors have prepared the consolidated financial statements on a going concern basis based on the assumptions and measures that:

- (i) As at 30 June 2025, the amounts due to Chinese Success, Wai Chun IF and Mr. Lam comprise the followings:

	<i>Note</i>	<i>HK\$'000</i>
Other payables – outstanding amounts relating to the convertible bonds		
matured during the year ended 30 June 2025	(a)	82,793
Convertible bonds – liability component	(a)	11,040
Loans from ultimate holding company	(b)	7,715
Borrowings – loan from the controlling shareholder	(b)	<u>6,968</u>
		<u>108,516</u>

- (a) On 27 December 2024, the bondholders agreed to extend the maturity dates of the convertible bonds to 31 December 2027, which such extension has been resolved by shareholders' resolution in extraordinary general meeting on 30 June 2025, and such extension becomes effective upon the completion of the Proposed Capital Reorganisation. In the opinion of Directors, the failure of fulfilling the condition is remote.
- (b) The creditors agreed not to demand repayment until all other third-party liabilities of the Group have been satisfied;
- (ii) Mr. Lam has also undertaken to provide adequate funds to enable the Group to meet its liabilities and settle financial obligations to third parties as and when they fall due so that the Group can continue to operate as a going concern and carry on its business without a significant curtailment of operations for the next twelve months from the date of this announcement;
- (iii) The Company is negotiating with potential investors proactively to raise sufficient funds through fund-raising arrangement; and
- (iv) The Directors will continue to implement cost control and measures aiming at improving the working capital and cash flows of the Group including closely monitoring general administrative expenses and operating costs.

The Directors have carried out a detailed review of the cash flow forecast of the Group for the next twelve-month period from the date of this announcement after taking into account the likelihood of above assumptions and measures. The Directors believe that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements as and when they fall due at least for the next twelve months from the date of this announcement, and accordingly, are satisfied that it is appropriate to prepare the consolidated financial statements of the Group on a going concern basis.

Notwithstanding the above, a material uncertainty exists as to whether the Group is able to achieve the assumptions and measures as described above, which incorporate assumptions about future events and conditions that are subject to inherent uncertainties. Should the Group be unable to achieve the above assumptions and measures such that it would not be continued as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amount, to provide for future liabilities which might arise and to reclassify non-current assets and liabilities to current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in the consolidated financial statements.

4. ADOPTION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the Year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 July 2024.

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Hong Kong Int 5 (“ HK Int 5 ”) (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

Except for as described below, the application of the amendments to HKFRS Accounting Standards in the current year had no material impact on the Group’s financial position and performance for the current and prior years and/or the disclosures set out in the consolidated financial statements.

Amendments to HKAS 1 “Classification of Liabilities as Current or Non-current” and Amendments to HKAS 1 “Non-current Liabilities with Covenants” (collectively the “HKAS1 Amendments”)

As a result of the adoption of the HKAS 1 Amendments, the Group changed its accounting policy for the classification of borrowings as below:

“Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Covenants that the Group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the end of the reporting period do not affect the classification.”

This new policy did not result in a change in the classification of the Group’s borrowings. The Group did not make retrospective adjustments as a result of adopting the HKAS 1 Amendments.

The Group has not applied any new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective for its accounting period beginning on 1 July 2024. The Group has already commenced an assessment of the impact of these new and amendments to HKFRS Accounting Standards but is not yet in a position to state whether these new and amendments to HKFRS Accounting Standards would have a material impact on its results of operations and consolidated financial position, except for below.

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 will replace HKAS 1 “Presentation of Financial Statements”, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of consolidated financial statements, with a focus on information about financial performance present in the consolidated statement of profit or loss, which will affect how the Group present and disclose financial performance in the consolidated financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the consolidated statement of profit or loss; (ii) required disclosures for management-defined performance measures; and (iii) enhanced requirements for aggregation and disaggregation of information.

The Directors are currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

5. REVENUE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from manufacturing and sale of modified starch and other biochemical products recognised at a point of time within the scope of HKFRS 15	<u>377,168</u>	<u>370,069</u>

Manufacturing and sale of modified starch and other biochemical products

The Group manufactures and sells modified starch and other biochemical products to the customers. Sales are recognised when control of the products is transferred, being when the products are delivered to a customer, and there is no unfulfilled obligation that could affect the customer’s acceptance of the products and the customer has obtained legal titles to the products.

Sales to customers are normally made with credit terms ranged from 30 to 180 days. For new customers, deposits or cash on delivery may be required. Deposits received are recognised as a contract liability. The Group would also allow longer credit period for certain customers with long term relationship.

A receivable is recognised when the products are delivered to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

6. SEGMENT INFORMATION

Information reported to the executive Director, being the chief operating decision maker (the “CODM”), for the purposes of resources allocation and assessment of segment performance focuses on types of goods delivered. Since the Group’s business activities are organised into a single operating segment, being the manufacturing and sale of modified starch and other biochemical products, no segment information is presented other than entity-wide disclosures.

Geographical information

For the years ended 30 June 2025 and 2024, the Group's operations were principally located in the People's Republic of China (the "PRC") with revenue and profits from its operations in the PRC.

The following is an analysis of the Group's revenue from external customers and non-current assets (excluding deferred tax assets) by geographical locations:

	Revenue from external customers		Non-current assets	
	2025	2024	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong	–	–	17	1,225
The PRC (excluding Hong Kong)	377,168	370,069	93,204	79,472
	<u>377,168</u>	<u>370,069</u>	<u>93,221</u>	<u>80,697</u>

In presenting the geographic information, revenue is based on the locations of the customers, while the non-current assets are presented based on the geographic location of the assets.

Major customers

Revenue from sales of modified starch and other biochemical products of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Customer A (note)	N/A	42,014
Customer B (note)	<u>N/A</u>	<u>40,545</u>

Note: These customers did not contribute 10% or more to the Group's revenue during the year ended 30 June 2025.

7. OTHER INCOME AND OTHER GAINS AND LOSSES, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bank interest income	5	12
Loss on disposal of property, plant & equipment	(182)	(606)
Others	<u>1,290</u>	<u>1,865</u>
	<u><u>1,113</u></u>	<u><u>1,271</u></u>

8. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on bank loans	2,442	2,698
Interest on loans from the ultimate holding company	310	–
Interest on loan from the controlling shareholder	276	–
Interest on loans from independent third parties	140	–
Interest on convertible bonds	10,471	15,147
Interest on lease liabilities	<u>13</u>	<u>64</u>
	<u><u>13,652</u></u>	<u><u>17,909</u></u>

9. INCOME TAX EXPENSE/(CREDIT)

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax – PRC Enterprise Income Tax – Provision for the year	1,770	2,076
Deferred taxation	<u>–</u>	<u>(14,536)</u>
	<u><u>1,770</u></u>	<u><u>(12,460)</u></u>

10. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging/(crediting) the followings:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Auditor's remuneration	500	500
Cost of inventories recognised as expenses	341,164	335,888
(Reversal of impairment losses)/impairment losses on receivables under expected credit loss model, net		
– trade receivables	(1,340)	1,695
– deposits and other receivables	(2,917)	3,134
	<u>(4,257)</u>	<u>4,829</u>
Depreciation on property, plant and equipment	11,429	9,142
Depreciation on right-of-use assets	1,748	2,217
Research expenses	1,610	2,719
Expenses related to short-term lease	446	447
Staff costs (including directors' emoluments)		
Salaries, bonus and allowances	11,697	12,583
Retirement benefits scheme contributions (<i>Note</i>)	914	1,211
Share based payments	774	–
	<u><u>13,385</u></u>	<u><u>13,794</u></u>

Note: There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

11. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss for the year attributable to owners of the Company of approximately HK\$14,623,000 (2024: approximately HK\$44,212,000) and the weighted average number of ordinary shares of 173,451,795 (2024: 171,476,453) in issue during the Year.

(b) Diluted loss per share

As the exercise of the Group's outstanding convertible bonds and share options for the years ended 30 June 2025 and 2024 would be anti-dilutive, accordingly, the diluted loss per share is same as the basic loss per share presented for the years ended 30 June 2025 and the 2024.

12. TRADE RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables, gross	31,908	34,945
Less: Provision for loss allowance	(3,121)	(5,785)
Trade receivables, net	<u>28,787</u>	<u>29,160</u>

The Group allows average credit period of 30 to 180 days to its customers. The Group does not hold any collateral over these balances.

The aging analysis of trade receivables, based on the invoice date, and net of provision for loss allowance, is as follows:

	2025 HK\$'000	2024 HK\$'000
0–30 days	25,746	16,504
31–60 days	2,448	4,408
61–90 days	77	1,437
91–180 days	444	2,920
Over 180 days	72	3,891
	<u>28,787</u>	<u>29,160</u>

13. TRADE PAYABLES

	2025 HK\$'000	2024 HK\$'000
Trade payables	<u>76,663</u>	<u>99,054</u>

The average credit period on purchases of goods ranges from 30 to 180 days. The Group has financial risk management policies to ensure that all payables are paid within the credit timeframe. The aging analysis of trade payables, based on the invoice dates, is as follows:

	2025 HK\$'000	2024 HK\$'000
0–30 days	37,542	23,612
31–60 days	5,041	21,780
61–90 days	4,980	21,548
91–180 days	25,970	27,056
Over 180 days	3,130	5,058
	<u>76,663</u>	<u>99,054</u>

14. SHARE CAPITAL

ORDINARY SHARES

	Number of shares	Amount equivalent to HK\$'000
Authorised:		
Ordinary shares of the Company at HK\$0.25 each		
At 1 July 2023, 30 June 2024, 1 July 2024 and 30 June 2025	<u>400,000,000</u>	<u>100,000</u>
Issued and fully paid:		
Ordinary shares of the Company at HK\$0.25 each		
At 1 July 2023, 30 June 2024 and 1 July 2024	171,476,453	42,869
Conversion of convertible bonds (<i>Note (a)</i>)	<u>7,000,000</u>	<u>1,750</u>
At 30 June 2025	<u>178,476,453</u>	<u>44,619</u>

Notes:

- (a) On 20 March 2025, Chinese Success converted partial portion of convertible bonds with principal amount of HK\$1,750,000 into 7,000,000 ordinary shares of the Company by crediting the share capital and share premium of approximately HK\$1,750,000 and HK\$35,000 respectively and debiting the liability and equity components of convertible bonds of approximately HK\$1,514,000 and HK\$271,000 respectively.
- (b) On 27 December 2024, the Company proposed to implement a capital reorganisation which involves (i) the reduction of the issued share capital by cancelling the paid-up capital to the extent of HK\$0.24 on each of the then issued ordinary share such that the par value of each issued ordinary share will be reduced from HK\$0.25 to HK\$0.01; and (ii) the sub-division of each of the authorised but unissued ordinary share of par value of HK\$0.25 each into twenty-five sub-divided ordinary shares of par value of HK\$0.01 each (the “**Proposed Capital Reorganisation**”).

The Proposed Capital Reorganisation was approved at an extraordinary general meeting held on 30 June 2025. As at the date of this announcement, the Proposed Capital Reorganisation is not yet effective and subject to the satisfaction of the conditions precedent.

EXTRACTS FROM INDEPENDENT AUDITOR'S REPORT

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material Uncertainty Related to Going Concern

We draw attention to note 2 to the consolidated financial statements which mentions that the Group incurred a loss of approximately HK\$10,701,000 for the year ended 30 June 2025 and as at 30 June 2025, the Group had net current liabilities and net liabilities of approximately HK\$170,542,000 and HK\$62,653,000 respectively. These events or conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Management's arrangements to address the going concern issue are also described in note 2 to the consolidated financial statements. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified in respect of this matter.

FINANCIAL REVIEW

Revenue

For the year ended 30 June 2025, the Group recorded a revenue of approximately HK\$377.2 million (for the year ended 30 June 2024: approximately HK\$370.1 million), representing a increase of approximately 1.9% as compared to the previous year. The revenue for the year are relatively stable.

Gross Profit

The Group recorded a gross profit and gross profit margin of approximately HK\$36.0 million and 9.5% respectively for the year ended 30 June 2025, compared to a gross profit of approximately HK\$34.2 million and a gross profit margin of approximately 9.2% for the year ended 30 June 2024. The gross profit for the year have remained relatively stable and increased by approximately HK\$1.8 million.

Selling Expenses

Selling expenses also recorded a increment of approximately 13.3%, from approximately HK\$12.4 million for the year ended 30 June 2024 to approximately HK\$14.1 million for the year ended 30 June 2025, which is in line with the increase in revenue.

Administrative Expenses

Administrative expenses for the year have remained relatively stable, increased slightly by approximately 2.6% from approximately HK\$20.3 million for the year ended 30 June 2024 to approximately HK\$20.8 million for the year ended 30 June 2025.

Impairment and Allowances

For the year ended 30 June 2025, the Group recognised an impairment loss on non-current assets, amounting to approximately HK\$1.7 million (2024: approximately HK\$58.1 million). This impairment is a non-recurring and non-cash item, which has been attributed to the continuous loss making performance of the Group's business. Furthermore, the Group has recorded a reversal of impairment losses on receivables of approximately HK\$4.3 million for the year ended 30 June 2025, in which an expected credit loss on receivables of approximately HK\$4.8 million was recognized in the comparative year.

Loss Attributable to Owners of the Company

The loss attributable to owners of the Company amounted to approximately HK\$14.6 million for the year ended 30 June 2025, as compared to a loss of approximately HK\$44.2 for the year ended 30 June 2024. The improvement in loss was primarily due to significant decrease of impairment losses on non-financial assets recognised during the reporting year.

Impairment of Non-current Assets

As at 30 June 2025, the management reassessed the value-in-use of the operating segment of manufacturing and sale of modified starch and other biochemical products, primarily due to the significant impairment loss recognised during the year ended 30 June 2024 and the continued underperformance relative to internal expectations.

The value in use was calculated based on five-year cash flow projections, with a pre-tax discount rate of 11.2% and a sales growth rate of 2%, in line with industry forecasts. The impairment assessment indicated that the CGU's recoverable amount was lower than its carrying amount. The impairment loss of approximately HK\$1.7 million (2024: approximately HK\$58.1 million) was recognized, ensuring no asset's carrying amount fell below its recoverable amounts.

International Valuation Limited, an independent external valuer, has been engaged to carry out the valuation for the year ended 30 June 2025.

Financial Resources and Position

As at 30 June 2025, the Group had net current liabilities of approximately HK\$170.5 million (30 June 2024: approximately HK\$139.4 million) and cash and cash equivalents of approximately HK\$6.6 million (30 June 2024: approximately HK\$2.2 million).

Total debts of the Group amounting to approximately HK\$178.0 million as at 30 June 2025 (30 June 2024: approximately HK\$135.9 million), comprising outstanding payables to the holders of convertible bonds included in other payables, borrowings, loans from the ultimate holding company, convertible bonds and lease liabilities. The net debt (net of cash and cash equivalents) to total assets ratio of the Group was approximately 79.9% (30 June 2024: approximately 63.8%).

During the year ended 30 June 2025, the Group financed its operations primarily through internally generated funds, loans from the ultimate holding company, and borrowings.

The Group's cash and cash equivalents were mainly denominated in Hong Kong dollars, Renminbi, and United States dollars, and its business transactions were conducted primarily in Renminbi and United States dollars. The Group did not experience any significant difficulties or adverse effects on its operations due to fluctuations in currency exchange rates during the year.

Foreign Currency Fluctuation

For the Year, the Group conducted its business transactions principally in Renminbi and United States dollars. The Group has not experienced any material difficulties or negative impact on its operations as a result of fluctuations in currency exchange rates. Accordingly, the Directors considered that the foreign exchange exposure is relatively limited and no hedging of exchange risk is required. As an internal policy, the Group continues to implement a prudent policy on financial management policy and does not participate in any high risk speculative activities. Nevertheless, the management will continue to monitor the foreign exchange exposure and will take prudent measures when needed.

Pledge of Assets and Contingent Liabilities

As at 30 June 2025, the Group did not have any material contingent liabilities. As at 30 June 2025, part of the Group's right-of-use assets with carrying amount of approximately HK\$20.3 million (30 June 2024: approximately HK\$20.0 million) were pledged to secure certain bank borrowings.

Dividend

The Board has resolved not to recommend the payment of final dividend for the year ended 30 June 2025 (30 June 2024: nil).

BUSINESS REVIEW

During the year under review, the Group continued to engage in the manufacturing and sale of modified starch and other biochemical products. For the year ended 30 June 2025, the Group's revenue and gross profit are relatively stable compared to the previous year. The Group also recorded a great improvement on net loss, primarily attributable to significant decrease of impairment losses on non-financial assets recognised during the reporting period.

Looking ahead, the Group will continue to pursue strategic acquisitions to capture new business opportunities in the PRC market and further strengthen its revenue and profit fundamentals. The Company has been actively identifying projects with growth potential for acquisitions or investments and is in discussions with various parties for such opportunities.

To ensure the Group's financial stability and ability to operate as a going concern, the Directors of the Company have been implementing various measures, including securing loan facilities from the ultimate holding company, negotiating with potential investors to raise sufficient funds, and closely monitoring general administrative expenses and operating costs. The Group will continue to adopt measures aimed at improving its working capital and cash flows to support its operations and future development.

OTHER INFORMATION

Employees

As at 30 June 2025, the Group had a total of 61 employee (30 June 2024: 140 employee), the majority of whom are situated in the PRC. The Group implement employee optimization during the period, including offer competitive remuneration packages to employees, discretionary bonuses and share options may also be granted to eligible employees based on individual performance.

The Group also encourages its employees to pursue a balanced life and provides a good working environment for its employees to maximise their potential and contribution to the Group. The remuneration committee of the Company, having regard to the Company's operating results, individual performance and comparable market statistics, decides the emoluments of the Directors. No Director, or any of his associates, and executive, is involved in dealing his own remuneration.

Major Acquisitions and Disposals of Subsidiaries

For the year ended 30 June 2025, there were no major acquisitions and disposal of subsidiaries.

Purchase, Sale or Redemption of the Company's Listed Securities

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

Non-compliance with Listing Rules

During the year ended 30 June 2025, the Company failed to meet the requirement of Rule 3.21 of the Listing Rules (which requires that the audit committee comprising a minimum of three members) and Rule 3.10(2) of the Listing Rules (which requires that at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise) until the appointment of Mr. Wong Po Keung as an independent non-executive Director with effect from 12 May 2025.

During the second half of current year, the Company failed to meet the requirement of Rule 13.92 of the Listing Rules (which provides that The Stock Exchange will not consider diversity to be achieved for a single gender board) until the appointment of Ms. Xu Huiling as an independent non-executive Director with effect from 5 June 2025.

Code on Corporate Governance Practices

The Company has adopted the code provisions of the Corporate Governance Code (“**CG Code**”) as set out in Appendix 14 to the Listing Rules as its own code of corporate governance. During the year ended 30 June 2025, the Company has complied with the relevant code provisions set out in the CG Code except for the deviation from code provision C.2.1 and C.6.1, which are explained below.

Code provision C.2.1 provides that the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual. The Company did not separate the roles of the chairman and chief executive officer since the appointment of Mr. Lam Ka Chun for all positions in the Group with effect from 1 November 2023. Mr. Lam Ka Chun has extensive experience in project management and investments and was responsible for the overall corporate strategies, planning and business development of the Group. The balance of power and authorities are ensured by the operation of the Board which comprises experienced and high caliber individuals with sufficient number thereof being independent non-executive Directors.

Code provision C.6.1 provides that the company secretary should be an employee of the issuer and have day-to-day knowledge of the issuer’s affairs. Where an issuer engages an external service provider as its company secretary, it should disclose the identity of a person with sufficient seniority at the issuer whom the external provider can contact. The Company did not appoint the company secretary since the resignation of Ms. Chin Ying Ying (“**Ms. Chin**”) from 18 December 2024. The Company is in the process of identifying a suitable candidate to fill the vacancy of company secretary caused by the resignation of Ms. Chin.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the “**Model Code**”) set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. All directors have confirmed, following specific enquiries by the Company that they have complied with the required standards set out in the Model Code throughout the year ended 30 June 2025.

Audit Committee

As at the date of this announcement, the Board has three independent non-executive Directors, Ms. Xu Huiling, Mr. Wang Zinju and Mr. Wong Po Keung.

EVENTS AFTER THE REPORTING PERIOD

References are made to the circular of the Company dated 25 August 2025 and the announcements of the Company dated 21 August 2025, 11 September 2025 and 29 September 2025, the effective date of the Proposed Capital Reorganisation was expected to be on 28 October 2025 (which is indicative only and may be extended or varied), the long stop dates for the alteration consents letters in relation to the proposed alteration to the terms of the existing Convertible Bonds have been extended to 31 October 2025 and the long stop date for the subscription agreement in relation to the proposed issuance of new convertible bonds has been extended to 31 October 2025.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company has reviewed the annual results of the Group for the year ended 30 June 2025. A meeting of the audit committee was held to review the Group's audited consolidated financial statements for the year ended 30 June 2025, in conjunction with the Company's external auditor, McMillan Woods (Hong Kong) CPA Limited.

SCOPE OF WORK OF MCMILLAN WOODS (HONG KONG) CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 30 June 2025 as set out in the preliminary announcement have been agreed by the Company's auditor, McMillan Woods (Hong Kong) CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year ended 30 June 2025. The work performed by McMillan Woods (Hong Kong) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by McMillan Woods (Hong Kong) CPA Limited on the preliminary announcement.

PUBLICATION OF ANNUAL REPORT

The annual report of the Company containing all the information as required by the Listing Rules will be despatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my gratitude to all staff and management team for their contribution during the year. I would also like to express my appreciation to the continuous support of our shareholders and investors.

By Order of the Board
Wai Chun Bio-Technology Limited
LAM Ka Chun
Executive Director

Hong Kong, 30 September 2025

As at the date of this announcement, the Board comprises:

Executive Director:

Mr. Lam Ka Chun (*Chairman and Chief Executive Officer*)

Independent Non-executive Directors:

Mr. Wong Po Keung

Mr. Wang Ziniu

Ms. Xu Huiling