

STRING FINTECH HK LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

Certified True Copy

Lai Fu Kuen
Certified Public Accountant (Practising)
Practising Certificate No.: P06250
Date: 12 MAY 2026



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(EXPRESSED IN UNITED STATES DOLLARS)

STRING FINTECH HK LIMITED

REPORT OF THE DIRECTORS

The directors submit herewith their report together with the audited financial statements for the year ended 31 March 2026.

Principal activities

The Company is principally engaged in blockchain, blockchain development, IT services, metaverse, web 3.0 development and support services.

There were no significant changes of the Company's principal activity during the year.

Business review

The Company is a small private company and falls within reporting exemption during the year. Therefore, the directors are not required to prepare the report for the business review in accordance with the Hong Kong Companies Ordinance (Cap. 622 section 359).

Results and appropriations

The results for the period are set out in the income statement on page 8.

The directors do not recommend the payment of any dividend for the year (2025: Nil).

Intangible asset

Details of movements of intangible asset during the year are set out in note 5 to the financial statements.

Share capital

Details of the movements in share capital of the Company during the year are set out in note 7 to the financial statements.

Reserve

The movements in the reserve during the year are set out in note 9 to financial statement on page 15.

STRING FINTECH HK LIMITED

REPORT OF THE DIRECTORS

Directors

The directors who held office during the period and up to the date of this report were:

Avinash Karingam
Venkata Krishnayya Nekkanti

There being no provision in the Company's Article of Association for the retirement of the directors by rotation, the directors continue in office.

Management contracts

No contracts concerning management and administration of the whole or substantial part of the business of the Company were entered into or existed during the year.

Equity-linked arrangement

At no time during the financial year and at the end of the financial year has the Company entered into or subsisted of any equity-linked agreement.

Directors' Interests in contracts

Except for those transactions as disclosed in notes 6, 8 and 10 to the financial statements in which the directors had a material interest, no contracts of significance to which the Company, its ultimate holding company, fellow subsidiary or subsidiary was a party subsisted at the end of the year which the directors of the Company had a material interest either directly or indirectly.

At no time during the year was the Company, its ultimate holding company, fellow subsidiary or subsidiary a party to any arrangements to enable the directors of the Company's to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Permitted indemnity provisions

At no time during the financial year and end up to date this directors' report, there was or is, any permitted indemnity provision being in force for the benefit of any director of the Company.

STRING FINTECH HK LIMITED

REPORT OF THE DIRECTORS

Auditor

The Company's auditor, Link-Pro CPA Limited retired, being eligible offer themselves for re-appointment. A resolution for re-appointment of Link-Pro CPA Limited as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

FOR AND ON BEHALF OF THE BOARDS

N.V. 1710
CHAIRMAN
VENKATA KRISHNAYYA NEKKANTI



Dated: 30 April 2026
HONG KONG



INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF

STRING FINTECH HK LIMITED

(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of String Fintech HK Limited ("the Company") set out on pages 8 to 16, which comprise the statement of financial position as at 31 March 2026, and the income statement for the year ended, and notes to the financial statements, including a material accounting policy information.

In our opinion, the financial statements of the Company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") and with reference to Practice Note 900 (Revised), Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF

STRING FINTECH HK LIMITED

(Incorporated in Hong Kong with limited liability)

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report set out on pages 1 to 3 and detailed income statement but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of director and those charge with governance for the financial statements

The directors are responsible for the preparation of financial statements in accordance with SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting. Unless the directors either intends to liquidate the Company or to cease operations or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF

STRING FINTECH HK LIMITED

(Incorporated in Hong Kong with limited liability)

Auditor's responsibilities for the audit of the financial statements

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion.

Reasonable assurance is high level of assurance but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatement can arise from fraud or error are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF

STRING FINTECH HK LIMITED

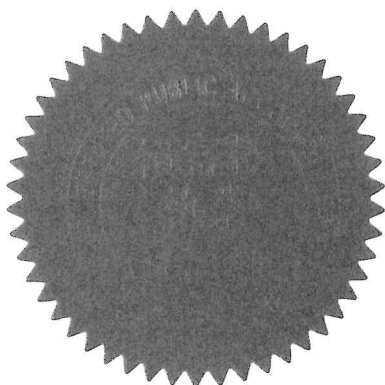
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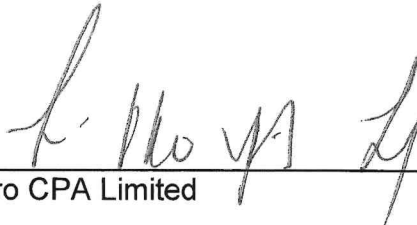
Auditor's responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is Lai Fu Kuen.




Link-Pro CPA Limited

Certified Public Accountants
2/F, Well View Commercial Building,
10 Morrison Street, Sheung Wan,
Hong Kong

Lai Fu Kuen
Practising Certificate No: P06250

Dated: 30 April 2026
HONG KONG

STRING FINTECH HK LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2026

	<u>Note</u>	<u>2026</u> US\$	<u>2025</u> US\$
Revenue	2	107,152,168	44,589,116
Cost of sales		<u>(93,933,070)</u>	<u>(40,114,447)</u>
Gross profit		13,219,098	4,474,669
Administrative expenses		<u>(1,428,636)</u>	<u>(487,989)</u>
Profit before tax	3	11,790,462	3,986,680
Income tax	4	<u>–</u>	<u>–</u>
Profit for the year		<u>11,790,462</u>	<u>3,986,680</u>

The notes on pages 10 to 16 form an integral part of these financial statements

STRING FINTECH HK LIMITEDSTATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	<u>Note</u>	<u>2026</u> US\$	<u>2025</u> US\$
Assets and liabilities			
Non-current assets			
Intangible asset	5	19,730,050	7,945,963
Current assets			
Cash and cash equivalents		1,416,106	161,394
Current liabilities			
Accruals		15,845	10,000
Amount due to fellow subsidiaries	6	1,242,492	—
		1,258,337	10,000
Net current assets		157,769	151,394
Net assets		19,887,819	8,097,357
Capital and reserves			
Share capital	7	3,517,160	3,517,160
Retained earnings	9	16,370,659	4,580,197
Shareholders' fund		19,887,819	8,097,357



 DIRECTOR
 AVINASH KARINGAM



 DIRECTOR
 VENKATA KRISHNAYYA NEKKANTI

The notes on pages 10 to 16 form an integral part of these financial statements.

STRING FINTECH HK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Reporting entity

String Fintech HK Limited (“the Company”) is a company incorporated in Hong Kong with limited liability. The address of its registered office and principal place of Room 606, 6/F, Hollywood Centre, 77-91 Queen’s Road West, Sheung Wan, Hong Kong.

The Company is principally engaged in blockchain, blockchain development, IT services, metaverse, web 3.0 development and support services.

1. Basis of preparation and accounting policies

The Company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Company is a going concern.

The measurement base adopted is the historical cost convention.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

(a) Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the Company’s and when the revenue can be measured reliably, on the following bases:

- (i) Revenue from online advertising services is recognised over the period in which the advertisements are displayed;
- (ii) Revenue from gaming operations and gross gaming revenue (“GGR”) is recognised at the point in the time when gaming activities are completed;
- (iii) Other digital platform service income recognised when the related services have been rendered; and
- (iv) IT service income is recognised when the related services are rendered.

STRING FINTECH HK LIMITEDNOTES TO THE FINANCIAL STATEMENTS**1. Basis of preparation and accounting policies (continued)****(b) Taxation**

Income tax expense represents current tax expense. The income tax payable represents the amounts expected to be paid to the taxation authority, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is not provided.

(c) Foreign exchange translation

The reporting currency of the Company is United States Dollars, which is the currency of the primary economic environment in which the Company operates.

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency items are translated into United States Dollars using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognized in the income statement.

(d) Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses and are amortized on a systematic basis over their estimated useful lives using the straight-line method.

The principal annual rates used for amortization is as follows:

Computer software	10%
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STRING FINTECH HK LIMITEDNOTES TO THE FINANCIAL STATEMENTS**1. Basis of preparation and accounting policies (continued)****(e) Related parties**

A related party includes a person and entity as defined below:

- a) A person or a close member of that person's family is related to the group or company if that person:
 - (i) is a member of the key management personnel of the Company or of a parent of the Company;
 - (ii) has control over the Company; or
 - (iii) has joint control or significant influence over the reporting entity or has significant voting power in it.

- b) An entity is related to the group and the Company's if any of the following conditions apply:
 - (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) either entity is an associate or joint venture of the other entity (or of a member of a group of which the other entity is a member);
 - (iii) both entities are joint ventures of a third entity;
 - (iv) either entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the reporting entity is itself such a plan, the sponsoring employers are also related to the plan;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

STRING FINTECH HK LIMITEDNOTES TO THE FINANCIAL STATEMENTS**2. Revenue**

A summary of the Company's revenue during the year are as follows:

	<u>2026</u> US\$	<u>2025</u> US\$
Revenue		
Income from gaming/ads	107,142,168	44,564,116
IT services income	10,000	25,000
	<hr/>	<hr/>
Total revenue	<u>107,152,168</u>	<u>44,589,116</u>

3. Profit before tax

The Company's profit before tax is arrived at after debiting:

	<u>2026</u> US\$	<u>2025</u> US\$
Auditor's remuneration	25,500	20,148
Amortization	1,231,923	345,113
Legal and professional fee	2,932	13,685
Research and development	140,775	83,617
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4. Income tax

No Hong Kong profits tax is provided in the financial statement as the Company has sufficient tax loss brought forward from previous year (2025: Nil).

No deferred tax is provided in the financial statements.

STRING FINTECH HK LIMITEDNOTES TO THE FINANCIAL STATEMENTS**5. Intangible asset**

	<u>Computer software</u> US\$
At cost:	
As at 31 March 2025	8,461,881
Addition for the year	<u>13,016,010</u>
As at 31 March 2026	<u>21,477,891</u>
Accumulated amortization:	
As at 31 March 2025	515,918
Charge for the year	<u>1,231,923</u>
As at 31 March 2026	<u>1,747,841</u>
Net carrying amount:	
As at 31 March 2026	<u>19,730,050</u>
As at 31 March 2025	<u>7,945,963</u>

The acquired computer software is being amortized over 10 years.

6. Amount due to fellow subsidiaries

Particulars of the amount due to fellow subsidiaries disclosed pursuant to section 383 (1) (d) to the Hong Kong Companies Ordinance (Cap. 622) is as follows:

	<u>2026</u> US\$	<u>2025</u> US\$
Current account	<u>1,242,492</u>	<u>—</u>

The amount due to fellow subsidiaries is in the nature of current account which are interest free, unsecured and have no fixed terms of payment.

Connected directors: Avinash Karingam and Venkata Krishnayya Nekkanti

STRING FINTECH HK LIMITED
NOTES TO THE FINANCIAL STATEMENTS

7. Share capital

	<u>2026</u> US\$	<u>2025</u> US\$
27,433,848 ordinary shares	<u>3,517,160</u>	<u>3,517,160</u>

The Company has issued capital of US\$3,517,160 equivalent to HK\$27,433,848 divided into 27,433,818 ordinary shares.

8. Directors' remuneration

Detail of directors' remuneration disclosed in pursuant to section 383(1) to the Hong Kong Companies Ordinance (Cap.622) for the year is Nil (2025: Nil).

9. Changes in equity

	<u>Share capital</u> US\$	<u>Retained earnings</u> US\$	<u>Total</u> US\$
Balance as at 31 March 2025	3,517,160	4,580,197	8,097,357
Profit for the year	<u>–</u>	<u>11,790,462</u>	<u>11,790,462</u>
Balance as at 31 March 2026	<u>3,517,160</u>	<u>16,370,659</u>	<u>19,887,819</u>

STRING FINTECH HK LIMITEDNOTES TO THE FINANCIAL STATEMENTS**10. Related party transactions**

During the year, the Company entered into the following significant transactions with its related party are as follows:

	<u>2026</u> US\$	<u>2025</u> US\$
<u>Kling Digital Assets FZCO</u> (Fellow subsidiaries)		
IT Service income	<u>10,000</u>	<u>10,000</u>
<u>Spacenet Tradetech HK Limited</u> (Fellow subsidiaries)		
IT Service income	<u>–</u>	<u>15,000</u>

Connected directors: Avinash Karingam and Venkata Krishnayya Nekkanti

11. Immediate and ultimate holding company

The immediate and ultimate holding company is String Metaverse Limited, a limited company incorporated in India.

12. Approval of financial statements

These financial statements were authorised and approved for issue by the Company's board of directors on 30 April 2026.

(For management purposes only)

STRING FINTECH HK LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2026

	<u>2026</u> US\$	<u>2025</u> US\$
Revenue		
Income from gaming/ads	107,142,168	44,564,116
IT services income	10,000	25,000
	<u>107,152,168</u>	<u>44,589,116</u>
Less: Cost of sales		
Cost of gaming/ads	<u>(93,933,070)</u>	<u>(40,114,447)</u>
Gross profit	13,219,098	4,474,669
Less: Administrative expenses		
Auditor's remuneration	25,500	20,148
Amortization	1,231,923	345,113
Bank charges	92	1,449
Business promotion	26,415	22,027
Business registration fee	281	1,660
Company secretary fee	718	290
Legal and professional fee	2,932	13,685
Research and development	140,775	83,617
	<u>(1,428,636)</u>	<u>(487,989)</u>
Profit before tax	<u>11,790,462</u>	<u>3,986,680</u>

(For management purposes only)

STRING FINTECH HK LIMITED

AUDIT ADJUSTMENT

FOR THE YEAR ENDED 31 MARCH 2026

	<u>DR.</u> US\$	<u>CR.</u> US\$
1. Business registration fee	281.86	
Company secretary fee	718.11	
Legal and professional fee	1,345.26	
Amount due to fellow subsidiaries		2,345.23

Being correction of entries.

We agree to this proposed adjustment and will put it through the accounting records.

FOR AND ON BEHALF OF THE BOARD

N.V. 1715
CHAIRMAN
VENKATA KRISHNAYYA NEKKANTI



Dated: 30 April 2026
HONG KONG