The following discussion and analysis should be read in conjunction with our audited financial statements included in the Accountants' Report set out in the Appendix I to this document, together with the accompanying notes. The financial statements have been prepared in accordance with the HKFRSs.

OVERVIEW

We are a special purpose acquisition company, or a SPAC, incorporated for the purpose of conducting an acquisition of, or a business combination with, one or more companies or operating businesses, which we refer to as a De-SPAC Transaction. Although we are not limited to, and may pursue targets in, any industry or geography, we intend to focus on companies in the financial services and technology sectors that have competitive edges on sustainability and corporate governance and that have operations or prospective operations in the Greater China area. As of the Latest Practicable Date, we had not selected any specific target for our De-SPAC Transaction, which we refer to as our De-SPAC Target, and we had not, nor had anyone on our behalf, engaged in any substantive discussions, directly or indirectly, with any De-SPAC Target with respect to a De-SPAC Transaction, or entered into any binding agreement with respect to a potential De-SPAC Transaction. We are not presently engaged in any activities other than the activities necessary to implement this **[REDACTED]**. Following the **[REDACTED]** and prior to the completion of the De-SPAC Transaction, we will not engage in any operations other than in connection with the selection, structuring and completion of the De-SPAC Transaction.

We expect to incur significant costs in evaluating potential De-SPAC Targets and in negotiating and executing a De-SPAC Transaction. If we are successful in negotiating a De-SPAC Transaction, we intend to effectuate the transaction using (i) the **[REDACTED]** from this **[REDACTED]**; (ii) **[REDACTED]** from the **[REDACTED]** the Promoter Warrants; (iii) the interest and other income earned on the funds held in the Escrow Account; (iv) **[REDACTED]** from mandatory independent third party investments; (v) loans from our Promoters or their affiliates; (vi) shares issued to the owners of the De-SPAC Target; (vii) funds from any forward purchase agreements or backstop agreements; or (viii) any other equity or debt securities, or a combination of the foregoing.

BASIS OF PRESENTATION

The historical financial information presented in this section has been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations issued by the Hong Kong Institute of

Certified Public Accountants ("**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. The Historical Financial Information also comply with the applicable disclosure provisions of the Listing Rules.

The historical financial information has been prepared on a historical cost basis. The HKICPA has issued a number of new and revised HKFRSs. For the purpose of preparing the historical financial information presented in this section, we have adopted all applicable new and revised HKFRSs except for any new standards or interpretations that are not yet effective for the accounting period beginning on January 1, 2022. Our significant accounting policies are set out in detail in Note 2 to the Accountants' Report set out in the Appendix I to this document.

CRITICAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The preparation of historical financial information in conformity with HKFRSs requires our Directors to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about judgments and estimates in applying accounting policies that have the most significant effects on the amounts recognized in the historical financial information is set out in Note 3 to the Accountants' Report set out in the Appendix I to this document.

SPAC Shares

SPAC Shares to be issued on the **[REDACTED]** will give rise to financial liabilities since they are redeemable automatically or at the option of SPAC Shareholders in case of occurrence of triggering events that are beyond the control of us and the SPAC Shareholders. The financial liabilities will be measured at the redemption amount. Transaction costs for the financial liabilities will be included in the initial carrying amount of the financial liabilities.

SPAC Warrants

We expect to account for the SPAC Warrants as derivative liabilities that will be measured at fair value through profit or loss, since the SPAC Warrants will not be settled only by exchanging a fixed amount of cash or another financial asset for a fixed number of our own equity instruments. Transaction costs for the SPAC Warrants are expensed as incurred.

Promoter Shares

Our Promoter Shares are equity instruments. The amount recognized in equity is the **[REDACTED]** received net of transaction costs.

Share-based Payments

We have accounted for the conversion right in the Promoter Shares and expect to account for the Promoter Warrants to be granted on the **[REDACTED]** (collectively, the "**Grants**") as equity-settled share-based payment, with the completion of a De-SPAC Transaction to be identified as the non-market performance condition.

The grant-date fair value of the Grants, as measured at the **[REDACTED]** using the Monte Carlo simulation model and excluding the impact of the vesting condition, would be recognized as equity-settled share-based payment cost with a corresponding increase in a reserve within equity. The total estimated fair value of the equity-settled share-based payment is or would be spreading over the vesting period, taking into account the probability that the related awards would vest.

See Notes 2 and 3 to the Accountants' Report set out in the Appendix I to this document for more details regarding our critical accounting policies and judgment.

RESULTS OF OPERATIONS

We did not generate any revenue from January 26, 2022, the date of our incorporation, to February 15, 2022. We incurred expenses of HK$649,691 from January 26, 2022 to February 15, 2022. As of February 15, 2022, we had net liabilities of HK$649,691.

We have not engaged in any operations to date. Our only activities since inception have been organizational activities and those necessary to prepare for the **[REDACTED]**. Following the **[REDACTED]**, we will not generate any operating revenues until after completion of our De-SPAC Transaction. We may generate non-operating income in the form of interest and other income on the **[REDACTED]** from this **[REDACTED]** and the **[REDACTED]** the Promoter Warrants, and we might receive loans from the Promoters or their affiliates under the Loan Facility or other arrangements. After this **[REDACTED]**, we expect our expenses to increase substantially as a result of being a publicly **[REDACTED]** company (for legal, financial reporting, accounting and auditing compliance), as well as for due diligence and other transactional expenses in connection with a De-SPAC Transaction.

LIQUIDITY AND CAPITAL RESOURCES

We expect to receive gross **[REDACTED]** of HK$**[REDACTED]** from this **[REDACTED]**, which will be deposited in the Escrow Account. The funds held in the Escrow Account may be released only to complete our De-SPAC Transaction, satisfy redemption requests of the SPAC Shareholders, and return funds to SPAC Shareholders upon the suspension of **[REDACTED]** of the SPAC Shares and the SPAC Warrants or upon the liquidation or winding up of the Company. We may withdraw interest or other income earned on the funds held in the Escrow Account to pay for our expenses and taxes, if any, prior to the completion of our De-SPAC Transaction. Except for interest or other income earned on the funds held in the Escrow Account, we will not be able to utilize the funds held in the Escrow Account to pay our taxes or expenses or otherwise satisfy our liquidity needs.

We expect our primary liquidity requirements prior to the completion of our De-SPAC Transaction to include the following:

- approximately HK$**[REDACTED]** million for expenses related to this **[REDACTED]**, which will be paid upon completion of this **[REDACTED]**, including **[REDACTED]** in connection with this **[REDACTED]**, accounting, legal and other expenses as well as the SFC transaction levy, Hong Kong Stock Exchange trading fee and FRC transaction levy;

- approximately HK$**[REDACTED]** for general working capital, which will be used for miscellaneous expenses and reserves prior to the completion of our De-SPAC Transaction; and

- expenses relating to a De-SPAC Transaction, the amount of which we are currently unable to estimate.

These amounts are estimates and may differ materially from our actual expenses. In addition to the above, upon the completion of our De-SPAC Transaction, we are required to pay the **[REDACTED]** the deferred **[REDACTED]** of up to HK$**[REDACTED]**, which will be paid as part of the expenses for our De-SPAC Transaction.

The following are the primary sources of funding to satisfy our liquidity requirements prior to the completion of our De-SPAC Transaction, and the funds from these sources will be held outside the Escrow Account:

- approximately HK$**[REDACTED]** in gross **[REDACTED]** from the **[REDACTED]** the Promoter Warrants; and

- the Loan Facility in an aggregate principal amount of up to HK$10.0 million, on which we can draw down to finance our expenses if the **[REDACTED]** from the **[REDACTED]** the Promoter Warrants described above and the interest and other income earned on the funds held in the Escrow Account are insufficient.

We do not believe that we will need to obtain additional financing following this **[REDACTED]** to meet the expenditures required for operating our business prior to our De-SPAC Transaction. However, if our estimates of the costs of identifying a De-SPAC Target, undertaking in-depth due diligence and negotiating a De-SPAC Transaction are less than the actual amounts required to do so, we may have insufficient funds available to operate our business prior to our De-SPAC Transaction. In order to fund working capital deficiencies or finance transaction costs in connection with a De-SPAC Transaction, our Promoters or their affiliates may, but are not obligated to, subject to the requirements under the Listing Rules, provide us with financing in addition to the Loan Facility. If we complete our De-SPAC Transaction, we will repay the borrowed amounts using the monies released from the Escrow Account and any cash from the De-SPAC Target. In the event that our De-SPAC Transaction does not close, we may use a portion of the funds held outside the Escrow Account to repay the borrowed amounts, but no funds held in the Escrow Account would be used for such repayment.

Under the Listing Rules, we are required to obtain independent third party investments for our De-SPAC Transaction, which will require us to issue additional securities. See "De-SPAC Transaction — Mandatory Independent Third Party Investments." In addition to the independent third party investments, we may have to obtain additional financing to complete our De-SPAC Transaction if the cash portion of the consideration for our De-SPAC Transaction exceeds the amounts available from the monies held in the Escrow Account, net of amounts needed to satisfy any redemption by the SPAC Shareholders, in which case we may have to issue additional shares or incur additional debts in connection with such De-SPAC Transaction.

Subject to compliance with the Listing Rules and other applicable regulations, there is no limitation on our ability to raise funds through the issuance of equity or equity-linked securities or through loans, advances or other indebtedness, including pursuant to forward purchase agreements or backstop agreements we may enter into, in connection with a De-SPAC Transaction. If we are unable to complete a De-SPAC Transaction because we do not have sufficient funds available to us, we will be forced to cease operations and return funds held in the Escrow Account to the SPAC Shareholders. In addition, following our De-SPAC Transaction, if cash on hand is insufficient, we may need to obtain additional financing in order to meet our other obligations.

Taking into consideration the financial resources that will be available to us, including **[REDACTED]** from the **[REDACTED]** the Promoter Warrants, the interest and other income earned on the funds held in the Escrow Account and the Loan Facility (but excluding any amounts of this **[REDACTED]** that are subject to redemption or amounts that are expected to be used to fund a De-SPAC Transaction), we believe, and the Sole Sponsor concurs, that we have sufficient working capital for our requirements prior to the De-SPAC Transaction.

INDEBTEDNESS

We incurred no indebtedness from January 26, 2022 to February 15, 2022. On [•], 2022, we entered into the Loan Facility, pursuant to which HK Acquisition (BVI) provides us with a working capital facility of up to HK$10.0 million that we may draw upon from time to time if needed. Any loans drawn under the Loan Facility will not bear any interest and will not be held in the Escrow Account. No amount had been drawn down under the Loan Facility as of the Latest Practicable Date.

As of the Latest Practicable Date, we did not have any loan issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

LOAN FACILITY

On [•], 2022, HK Acquisition (BVI) entered into the Loan Facility with us. Pursuant to the Loan Facility, HK Acquisition (BVI) [has made] available to us an aggregate amount of up to HK$10.0 million to meet our working capital needs or to finance our transaction costs from time to time before the completion of any De-SPAC Transaction. Advances under the Loan Facility will carry no interest, and the advances under the Loan Facility may be repaid by us at any time, but no later than the De-SPAC Transaction Completion Date.

The advances under the Loan Facility shall also become immediately due and payable upon the occurrence of the following events of default:

(i) the suspension of **[REDACTED]** of the SPAC Shares and the SPAC Warrants due to our failure to make an announcement of the terms of a De-SPAC Transaction before the De-SPAC Transaction Announcement Deadline;

(ii) the suspension of **[REDACTED]** of the SPAC Shares and the SPAC Warrants due to our failure to complete a De-SPAC Transaction before the De-SPAC Transaction Completion Deadline;

(iii) our failure to obtain the requisite approvals in respect of our continuation following a material change in our Promoters or Directors as provided for in the Listing Rules; and

(iv) the commencement of our winding-up or liquidation.

The advances drawn under the Loan Facility can be repaid with (i) the funds held outside the Escrow Account; (ii) the interest and other income earned on the funds held in the Escrow Account; and (iii) the available funds held in the Escrow Account, only upon the completion of our De-SPAC Transaction after meeting our SPAC Shareholders' redemption requests. Pursuant to the terms of the Loan Facility, HK Acquisition (BVI) [has waived] any claim on the funds held in the Escrow Account (whether or not our Company is in winding up or liquidation prior to the completion of the De-SPAC Transaction) unless such funds are released from the Escrow Account upon completion of the De-SPAC Transaction.

The Loan Facility also contains other customary provisions regarding events of default and remedies, and includes a waiver by the lenders of any and all right, title, interest or claim of any kind in or to any distribution of or from the Escrow Account.

POTENTIAL IMPACT OF ISSUING ADDITIONAL SHARES OR INCURRING INDEBTEDNESS

We are required under the Listing Rules to obtain independent third party investments for our De-SPAC Transaction, in connection with which we will have to issue additional Successor Shares. In addition, if certain pre-determined performance indicators of the Successor Company are satisfied, we may issue additional Successor Shares to our Promoters under the Earn-out Right. The issuance of such additional Successor Shares may:

- significantly dilute the equity interest of the investors in the **[REDACTED]**;
- cause an obtaining of control by a third party if a substantial number of Successor Shares are issued, and could result in the resignation or removal of our present Directors and senior management; and
- adversely affect the prevailing market prices of our Shares and Warrants.

Similarly, if we issue debt or otherwise incur significant debt, whether in connection with the completion of a De-SPAC Transaction or otherwise, it could:

- result in default and foreclosure on our assets if our operating revenues after our De-SPAC Transaction are insufficient to repay our debt obligations;

- result in acceleration of our obligations to repay the indebtedness even if we make all principal and interest payments when due if we breach certain covenants that require the maintenance of certain financial ratios or reserves without a waiver or renegotiation of that covenant;

- require our immediate payment of all principal and accrued interest, if any, if the debt instrument is payable on demand;

- affect our ability to obtain necessary additional financing if the debt instrument contains covenants restricting our ability to obtain such financing while the debt is outstanding;

- affect our ability to pay dividends on our Successor Shares;

- require us to use a substantial portion of our cash flow to pay principal and interest on our debt, which will reduce the funds available for dividends on our Successor Shares if declared, expenses, capital expenditures, acquisitions and other general corporate purposes;

- limit our flexibility in planning for and reacting to changes in our business and in the industry in which we operate;

- increase vulnerability to adverse changes in general economic, industry and competitive conditions and adverse changes in government regulation or prevailing interest rates; and

- limit our ability to borrow additional amounts for expenses, capital expenditures, acquisitions, debt service requirements, execution of our strategy and other purposes and other disadvantages compared to our competitors who have less debt.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are primarily exposed to liquidity risk arising in the normal course of our business. Our policy to manage the liquidity risk is to regularly monitor our liquidity requirements to ensure that we maintain sufficient reserves of cash to meet our liquidity requirements in the short and long term. See Note 10 to the Accountants' Report set out in the Appendix I to this document.

The gross **[REDACTED]** from this **[REDACTED]** will be placed in the Escrow Account and held in cash or cash equivalents. Due to the short-term nature of these investments, we believe that there will be no associated material exposure to interest rate risk.

COMMITMENTS

As of February 15, 2022, we did not have any off-balance sheet arrangements, commitments or contractual obligations.

DIVIDEND

We are not presently engaged in any activities other than the activities necessary to implement this **[REDACTED]**. Accordingly, we have not yet adopted a dividend policy. We have not paid any dividends to date and will not pay any dividends prior to the De-SPAC Transaction Completion Date. The declaration and payment of future dividends after the completion of any De-SPAC Transaction will be subject to various factors, including our results of operations, financial performance, profitability, business development, prospects, capital requirements and economic outlook. Any declaration and payment as well as the amount of the dividend will be subject to our constitutional documents and the Cayman Islands Companies Act, and may require the approval of our Shareholders.

DISTRIBUTABLE RESERVES

As of February 15, 2022, we had accumulated a loss of HK$649,691 and nil retained profits under HKFRSs as reserves available for distribution to our equity shareholders.

DISCLOSURE PURSUANT TO RULES 13.13 TO 13.19 OF THE LISTING RULES

We confirm that, as of the Latest Practicable Date, we were not aware of any circumstances that would give rise to a disclosure requirement under Rules 13.13 to Rules 13.19 of the Listing Rules.

[REDACTED] EXPENSES

The total **[REDACTED]** expenses (excluding the deferred **[REDACTED]** as further described below) payable by us are estimated to be approximately HK$**[REDACTED]**, which is approximately **[REDACTED]**% of our gross **[REDACTED]** from the **[REDACTED]**, comprising **[REDACTED]** related expenses of approximately HK$**[REDACTED]**, fees and expenses of legal advisors, accountants and other professional parties of approximately HK$**[REDACTED]**, and other fees and expenses of approximately HK$**[REDACTED]**. The **[REDACTED]** expenses recognized to our profit or loss for the period from January 26, 2022 (date of incorporation) to February 15, 2022 were approximately HK$**[REDACTED]**. We estimate that the remaining **[REDACTED]** expenses of approximately HK$**[REDACTED]** will be incurred and charged to our profit or loss on or before the completion of the **[REDACTED]**.

In addition, upon completion of our De-SPAC Transaction, additional **[REDACTED]** of up to approximately HK$**[REDACTED]** would be payable by us, which is approximately **[REDACTED]**% of our gross **[REDACTED]** from the **[REDACTED]**. Upon completion of the **[REDACTED]**, a liability for the deferred **[REDACTED]** will be estimated and charged to our profit or loss based on the relevant terms and conditions as set forth in the **[REDACTED]**.

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE LIABILITIES

See our unaudited pro forma statement of adjusted net tangible liabilities set out in the Appendix II to this document, which illustrates the effect of the **[REDACTED]** on our net tangible liabilities attributable to our equity holders as of February 15, 2022 as if the **[REDACTED]** had taken place on February 15, 2022.

DIRECTORS' CONFIRMATION OF NO MATERIAL ADVERSE CHANGE

There has been no significant change in our financial position since February 15, 2022 and up to the date of this document.