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**HARBOUR DIGITAL**  
**Harbour Digital Asset Capital Limited**  
**港灣數字產業資本有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock code: 913)

**INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2022**

The board of directors (the “**Board**”) of Harbour Digital Asset Capital Limited (the “**Company**”) herein present their unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2022 (the “**Period**”). The interim results for the Period are unaudited, but have been reviewed by the Company’s audit committee (“**Audit Committee**”) of the Board. The Board has approved the unaudited condensed consolidated financial statements of the Company for the six months ended 30 June 2022.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*For the six months ended 30 June 2022*

		<b>Unaudited</b>	
		<b>Six months ended 30 June</b>	
	<i>Notes</i>	<b>2022</b>	<b>2021</b>
		<b>HK\$’000</b>	<b>HK\$’000</b>
<b>Gross proceeds from disposal of trading securities</b>		<b>2,881</b>	5,243
<b>(Loss)/gain from the sale of listed equity investments at fair value through profit or loss (“FVPL”)</b>		<b>(276)</b>	2,800
Revenue	2	<b>1,057</b>	110
Other income	2	<b>571</b>	–
Changes in fair value of listed equity instruments at FVPL		<b>(30,047)</b>	11,676
Reversal of impairment of financial assets at amortised costs, net		<b>153</b>	–
Other operating expenses		<b>(13,663)</b>	(5,849)
Finance costs		–	(18)
<b>(Loss)/profit before tax</b>	4	<b>(42,205)</b>	8,719
Income tax	5	–	–
<b>(Loss)/profit and total comprehensive (loss)/income for the Period attributable to equity holders of the Company</b>		<b>(42,205)</b>	8,719
<b>(Loss)/earnings per share</b>			
– Basic and Diluted	6	<b>HK(15.23 cent)</b>	HK3.42 cent
– Diluted	6	<b>HK(15.23 cent)</b>	HK3.37 cent

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

		<b>Unaudited</b>	Audited
		<b>30 June</b>	31 December
		<b>2022</b>	2021
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Non-current assets</b>			
Debt investment at amortised cost	7	<b>20,325</b>	–
Equity investments at FVPL	8	–	58,500
		<u>20,325</u>	<u>58,500</u>
<b>Current assets</b>			
Equity investments at FVPL	8	<b>106,296</b>	136,623
Deposits and prepayments		<b>90</b>	282
Due from securities brokers	9	<b>2,371</b>	2,234
Other receivables		<b>49,658</b>	19,460
Bank balances and cash		<b>10,039</b>	621
		<u>168,454</u>	<u>159,220</u>
<b>Current liabilities</b>			
Other payables and accruals		<b>1,815</b>	670
Due to securities brokers	10	<b>1</b>	1
		<u>1,816</u>	<u>671</u>
<b>Net current assets</b>		<u><b>166,638</b></u>	<u>158,549</u>
<b>NET ASSETS</b>		<u><b>186,963</b></u>	<u>217,049</u>
<b>Capital and reserves</b>			
Share capital		<b>281</b>	276
Reserves		<b>186,682</b>	216,773
<b>TOTAL EQUITY</b>		<u><b>186,963</b></u>	<u>217,049</u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2022

### 1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements (“**Interim Financial Statements**”) for the Period have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

The Interim Financial Statements should be read in conjunction with the 2021 annual financial statements. The accounting policies and methods of computation used in the preparation of the Interim Financial Statements are consistent with those used in the annual financial statements for the year ended 31 December 2021.

The Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 January 2022. HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); HKAS; and Interpretations. The adoption of these new and revised HKFRSs does not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the Period and prior years/periods.

### 2. REVENUE AND OTHER INCOME

The Group is principally engaged in the investments in listed and unlisted securities. The details of revenue recognised during the six months ended 30 June 2022 are as follows:

	Unaudited	
	Six months ended 30 June	
	2022	2021
	HK\$’000	HK\$’000
<b>Revenue</b>		
Interest income from debt investment at amortised cost	325	–
Dividend income from listed equity investments at FVPL	732	110
	<u>1,057</u>	<u>110</u>
<b>Other Income</b>		
Government grants ( <i>note</i> )	24	–
Others	547	–
	<u>571</u>	<u>–</u>
	<u><u>1,628</u></u>	<u><u>110</u></u>

*Note:* Government grants represent subsidies granted from the HKSAR Government in relation to support the operation of the Group without unfulfilled conditions or other contingencies attaching to the subsidies.

### 3. SEGMENT INFORMATION

For the purpose of internal reporting, the Group only has one business segment, namely, investments in listed and unlisted securities. Business segment information, which is the Group's primary basis of segment reporting, is not required as the Group's turnover, contribution to operating profit, assets and liabilities are attributable to this only segment.

#### Geographical information

The geographical location from which the Group derives revenue is based on the location of the markets of the respective investments; and geographical location of the specified non-current assets (excluding the Group's investments) is based on the physical location of the asset. However, over 90% of the Group's revenue and non-current assets are principally attributable to Hong Kong. Consequently, no geographical information represented.

### 4. (LOSS)/PROFIT BEFORE TAX

		Unaudited	
		Six months ended 30 June	
	Notes	2022	2021
		HK\$'000	HK\$'000
This is stated after charging:			
Staff costs, including directors' emoluments			
– salaries		984	936
– pension scheme contributions		21	19
– equity settled share option expenses		11,120	3,194
		<u>12,125</u>	<u>4,149</u>
Operating lease charges in respect of			
– land and buildings		79	75
		<u>79</u>	<u>75</u>
<b>Disclosures pursuant to Rule 21.12(1)(c) of the Listing Rules</b>			
Realised loss/(gain) on disposal of listed equity investments	(i)	276	(2,800)
Unrealised loss/(gain) on listed equity investments	(ii)	30,047	(11,676)

Notes:

- (i) The amounts are calculated based on the sales proceeds less cost of those investments.
- (ii) The amounts represented changes in fair value of unrealised investments during the period and cumulative change in fair value of realised investments.

### 5. INCOME TAX

The Group did not derive any taxable profit for the Period and the six months ended 30 June 2021.

## 6. (LOSS)/EARNINGS PER SHARE

The calculations of basic and diluted (loss)/earnings per share are based on the Group's loss for the Period attributable to the equity holders of the Company of approximately HK\$42,205,000 (2021: profit of HK\$8,719,000).

The basic loss per share for the Period are based on the weighted average number of 277,120,842 ordinary shares in issue for the Period. The Company had no potentially dilutive ordinary shares in the six months ended 30 June 2022. The share options during the six months ended 30 June 2022 were anti-dilutive. The diluted loss per share for the six months ended 30 June 2022 are based on weighted average number of 277,120,842 ordinary shares in issue for that period.

The basic earnings per share for the six months ended 30 June 2021 was based on the weighted average number of 254,578,807 ordinary shares in issue.

The share options granted by the Company have potential dilutive effect on the earning per share ("EPS") of the Company for the six months ended 30 June 2021. Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from share options granted by the Company (forming the denominator for computing the diluted EPS).

	<b>Unaudited Six months ended 30 June 2021 HK\$</b>
Profit attributable to the equity holders of the Company	<b>8,719,000</b>
Weighted average number of ordinary shares shares in issue	<b>254,578,807</b>
Adjustments for share options	<b>4,207,096</b>
Weighted average number of ordinary shares for the calculation of diluted EPS	<b>258,785,903</b>
Diluted EPS ( <i>HK cents</i> )	<b>3.37</b>

## 7. DEBT INVESTMENT AT AMORTISED COST

Bonds issuer	Face value HK\$'000	Cost HK\$'000	Interest receivables HK\$'000	Fair value/ Carrying amount HK\$'000	Percentage of fair value/ carrying amount of significant investments to the Group's investment portfolio	Percentage of fair value/ carrying amount of significant investments to the Group's total assets	Terms	Coupon Rate p.a.
AMCO United Holding Limited	20,000	20,000	325	20,325	16.1%	10.8%	From 23 March 2022 to 22 March 2030	6%

*Note:*

AMCO United Holding Limited (“AMCO United”) is a Hong Kong-based investment holding company principally engaged in medical device businesses. It is listed on Main Board of the Stock Exchange (stock code: 630).

During the Period, interest income of HK\$325,000 was recognised by the Group, and no unrealized gain or loss and no realised gain or loss on the Group’s investment in the bonds issued by AMCO United was recorded. No coupon was due and received from the aforesaid bonds during the Period, too.

## 8. EQUITY INVESTMENTS AT FVPL

	<b>Unaudited 30 June 2022 HK\$'000</b>	<b>Audited 31 December 2022 HK\$'000</b>
<b>Current</b>		
Listed equity investments in Hong Kong	<b>106,296</b>	<b>136,623</b>
<b>Non-current</b>		
Unlisted equity investments outside Hong Kong	<b>–</b>	<b>100,592</b>

As at 30 June 2022, the net fair value loss in respect of the Group’s listed equity investments in Hong Kong recognised in profit or loss amounted to approximately HK\$30,047,000, and net loss of approximately HK\$276,000 was recognised upon disposal of the listed equity investments for the Period.

The Group’s major investments as at 30 June 2022 were detailed below:

	Notes	Stock code	As at 30 June 2022			For the six month ended 30 June 2022		
			Fair/Market value HK\$'000	Approximate percentage of the Group's Investment portfolio	Approximate percentage of the Group's total assets	Unrealised gain/(loss) HK\$'000	Realised gain/ (loss) HK\$'000	Dividend received HK\$'000
<b>Listed equity investments in Hong Kong</b>								
WLS Holdings Limited	1	8021	29,136	23.1%	15.4%	(6,243)	–	–
China Jicheng Holdings Limited	2	1027	10,937	8.7%	5.8%	3,488	–	–

*Notes:*

1. WLS Holdings Limited (“**WLS**”) is incorporated in the Bermuda as an exempted company and continued in Bermuda with limited liability and its shares are listed on GEM of the Stock Exchange (Stock code: 8021). WLS is principally engaged in the scaffolding and fitting out services, management contracting services and other services for construction and buildings work, money lending business, securities brokerage and margin financing and securities investment business. For the year ended 30 April 2022, the audited consolidated loss attributable to owners of WLS was approximately HK\$12.0 million with basic and diluted loss per share of HK0.075 cent. As at 30 April 2022, its audited consolidated net assets attributable to the owners was approximately HK\$509.6 million.
2. China Jicheng Holdings Limited (“**China Jicheng**”) is incorporated in the Cayman Islands as an exempted company and continued in Cayman Islands with limited liability and its shares are listed on Main board of the Stock Exchange (Stock code: 1027). China Jicheng is principally engaged in the manufacture and sales of polyolefin elastomer (POE) umbrellas and nylon umbrellas. For the year ended 31 December 2021, the audited consolidated loss attributable to owners of China Jicheng was approximately RMB127,729,000 with basic and diluted loss per share of RMB42.76 cents. As at 31 December 2021, its audited consolidated net assets attributable to the owners was approximately RMB316,206,000.

**9. DUE FROM SECURITIES BROKERS**

Amounts due from securities brokers represent deposits placed with securities brokers for the trading of listed investments which are repayable on demand and interest-free.

**10. DUE TO SECURITIES BROKERS**

Amounts due to securities brokers represent margin loans arising from the trading of listed investments which are repayable on demand. No ageing analysis is disclosed in respect of due to securities brokers. In the opinion of the directors of the Company, an ageing analysis does not give additional value in view of the Group’s business nature.

**11. CHARGE OF ASSETS AND MARGIN FACILITIES**

As at 30 June 2022 and 31 December 2021, margin facilities from several regulated securities brokers were granted to the Group which were secured by the Group’s equity instruments and investments held for trading. As at 30 June 2022 and 31 December 2021, the Group had not utilised against these facilities.

**12. CONTINGENT LIABILITIES**

**Financial guarantee issued**

The Company had corporate guarantee for securities trading account maintained by one of its subsidiaries with a broker, which was unutilised at 30 June 2022 and 31 December 2021.

The directors of the Company do not consider probable that a claim will be made against the Company under any of the guarantee at 30 June 2022 and 31 December 2021.

## MANAGEMENT DISCUSSION AND ANALYSIS

### INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for six months 30 June 2022 (the “**Period**”) (*six months ended 30 June 2021: Nil*).

### RESULTS

The Group recorded a net loss of approximately HK\$42.2 million for the Period, as compared to a net profit of approximately HK\$8.7 million in the corresponding period of last year. The net loss generated by the Group for the Period was mainly attributable to fair value loss of listed equity instruments at fair value through profit or loss (“**Listed Investments**”) of approximately HK\$30.0 million during the Period. During the six months ended 30 June 2021, the Group recognised fair value gain on Listed Investments of approximately HK\$11.7 million. Basic and diluted losses per share of the Company for the Period of HK15.23 cents and HK15.23 cents were recorded as compared to basic and diluted earnings per share, being of HK3.42 cents and HK3.37 cents for the same period in 2021.

### BUSINESS REVIEW

The Company is an investment company and its shares are listed on the Main Board of the Stock Exchange since 27 October 1999, pursuant to Chapter 21 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). During the period under review, the Group remains principally engaged in listed investments in Hong Kong, other major stock markets around the world, and in unlisted companies to achieve medium-term or long-term capital appreciation.

Given the deteriorating market condition, the listed equity investments classified under investments held for trading has posted net realised loss of approximately HK\$0.3 million (*2021: gain of HK\$2.8 million*) and unrealised loss of approximately HK\$30.0 million (*2020: gain of HK\$11.7 million*). During the Period, the Board remains focus on listed equity investments in Hong Kong. The Company continues to be cautious in identifying any investment opportunities to achieve medium-term or long-term capital appreciation.

In order to keep reasonable spread of the Group’s investments, the Board will maintain a diversified investment portfolio to cover a wide range of business sectors, including, but not limited to, companies engaged in sectors such as finance, consumer goods and consumer services, media, manufacturing etc.

The investment portfolio of the Group as at 30 June 2022 mainly comprises of a portfolio of listed shares in 29 companies of HK\$106.3 million and 1 direct unlisted debt investment of HK\$20.0 million which represent approximately 56.9% and 10.7% of the Group’s consolidated net asset value respectively.



## Significant Investments

Significant investments of the Group are the debt investment and the major listed equity investments as detailed in notes 7 and 8 to the condensed consolidated financial statements. Save for those investments, the Group has not held any investment, the value of which was over 5% of the value of the Group's total assets as at 30 June 2022.

## Segment Information

There is no material change in the Group's investment segment, principally investment in listed and unlisted securities, during the Period.

## Performance of the Group's Listed Securities

The net loss on listed securities of approximately HK\$30.3 million for the Period represented realised loss in disposal of listed securities of approximately HK\$0.3 million and net unrealised loss of listed securities of approximately HK\$30.0 million. Set out below are further information of these net realised and unrealised losses:

### *Net realised Loss on Disposal of Listed Securities*

The amount represented realised loss on disposal of listed securities of approximately HK\$0.3 million and no realised gain on disposal of listed securities was recognised during the Period.

### *Net Unrealised Loss of Listed Securities*

The net unrealised loss of approximately HK\$30.0 million represented the unrealised gain of approximately HK\$4.8 million net of unrealised loss of approximately HK\$34.8 million.

The unrealised gain principally represented:

<b>Company name</b>	<b>Stock code</b>	<b>Unrealised gain HK\$ million</b>
China Jicheng Holdings Limited	1027	<u>3.5</u>

In addition to the China Jicheng Holdings Limited, there is no stock which brought over HK\$3 million profit to the Group during the Period.

The unrealised loss principally represented:

<b>Company name</b>	<b>Stock code</b>	<b>Unrealised loss HK\$ million</b>
SEEC Media Group Limited	205	7.8
WLS Holdings Limited	8021	6.2
China e-Wallet Payment Group Limited	802	<u>4.9</u>

In addition to SEEC Media Group Limited, WLS Holdings Limited and China e-Wallet Payment Group Limited, there is no stock which incurred unrealised loss over HK\$4 million to the Group during the Period.

### **Performance of the Group's Unlisted Securities**

During the Period, the Group disposed 16% or 16 shares of Keen Champ Investments Limited (“**Keen Champ**”) and 29.9% or 2,990 shares of Peak Zone Group Limited (“**Peak Zone**”) at a consideration of HK\$50.0 million and HK\$8.5 million respectively. No gain or loss on disposal of the Group's investment in Keen Champ and Peak Zone was recorded as the corresponding consideration amounts of HK\$50.0 million and HK\$8.5 million are same as the fair values of these investments recorded in the Group's book.

### **PROSPECTS**

Year 2022 extends the challenging period from Year 2021. The outbreak of COVID-19 has killed over 6 million people and infected more than 570 million people globally. As many countries, especially those in the West, have adopted the policies of coexisting with COVID-19, the damage led by COVID-19 on the economy was less serious as compared to that in last few years. Although business activities of many countries have been resumed, at least partially, the performance of major stock markets did not reflect it. Dow Jones Industrial Index changed the overall rising pattern in Year 2021, and dropped by around 15.3% from 36,338 points at the end of Year 2021 to 30,775 points at 30 June 2022. Hang Seng Index continued its descending trend in last year and decreased by approximately 6.6% in the six months ended 30 June 2022 from 23,397 points at the end of Year 2021 to 21,859 points at 30 June 2022. Both Dow Jones Industrial Index and Hang Seng Index experienced considerable falling may be related to the commencement of Russia-Ukraine War and the outbreak of COVID-19.

Owing to Russia-Ukraine War, the energy prices rose alarmingly during the first half of Year 2022. US natural gas futures rose from around US\$3.7/MMBtu at the beginning of Year 2022 to US\$9.3/MMBtu in early June this year. WTI crude futures rose from around US\$75/Bbl at the beginning of Year 2022 to around US\$120/Bbl in March 2022. High energy prices caused high inflation and led the Federal Reserve to increase Fed rate significantly.

The Federal Reserve raised the target range for the fed funds rate by 75bps to 2.25%-2.5% during its July 2022 meeting, the fourth consecutive rate hike, and pushing borrowing costs to the highest level since 2019. The increase in inflation came in a year that began with rates floating around zero but which had seen a commonly cited inflation measure run at 9.1% annually in July 2022. St. Louis Federal Reserve President James Bullard said on 3 August 2022 that the central bank will continue raising rates until it sees compelling evidence that inflation is falling.

In Europe, European Commission in its “Summer 2022 Economic Forecast” stated that Russia’s war of aggression against Ukraine continues to negatively affect the EU economy, setting it on a path of lower growth and higher inflation compared to the Spring Forecast. The Summer 2022 (interim) Economic Forecast projects that the EU economy will grow by 2.7% in 2022 and 1.5% in 2023. Growth in the euro area is expected at 2.6% in 2022, moderating to 1.4% in 2023. Annual average inflation is projected to peak at historical highs in 2022, at 7.6% in the euro area and 8.3% in the EU, before easing in 2023 to 4.0% and 4.6%, respectively.

Russia’s invasion of Ukraine has put additional upward pressures on energy and food commodity prices. These are feeding global inflationary pressures, eroding the purchasing power of households and triggering a faster monetary policy response than previously assumed.

Different from previous years, more problems happened to China’s economy in the first half of Year 2022. Increase in daily new COVID-19 cases from double-digit numbers in early Year 2022 to over 29,000 cases in April of the same year. In addition to COVID-19 spreading, US-China tensions may affect economy of China to a certain extent.

In view of the above analysis, the worldwide investment in the second half of this year may not be optimistic. We will continue to monitor the market dynamics, and adopt a conservative approach on investments, so as to enhance value to our Shareholders.

### **Future Plans for Material Investments or Capital Assets and Their Expected of Funding in Twelve Months**

As at 30 June 2022 and up to the date of this announcement approved, the Company does not have any concrete plan for material investments or capital assets.

## **FINANCIAL REVIEW**

### **Liquidity, Financial Resources, Capital Structure and Gearing Ratio**

The Group's asset portfolio was mainly financed by internally generated cash resources. As at 30 June 2022, net current assets of the Group amounted to approximately HK\$166.6 million (As at 31 December 2021: approximately HK\$158.5 million) with cash and bank balances of approximately HK\$10.0 million (As at 31 December 2021: approximately HK\$0.6 million).

As the Group held current assets of approximately HK\$168.5 million as at 30 June 2022 (31 December 2021: HK\$159.2 million) and it only has non-interest bearing current liabilities of approximately HK\$1.8 million (31 December 2021: HK\$0.6 million), which is denominated in Hong Kong Dollars, the Company considers its liquidity is healthy and there is no currency and interest rate risks exposure of its debt and obligation.

The unaudited consolidated net asset value per share of the Company as at 30 June 2022 was HK\$0.665 (As at 31 December 2021: audited HK\$0.788). The consolidated net asset value per share is calculated based on the net assets of the Group as at 30 June 2022 of approximately HK\$187.0 million (As at 31 December 2021: approximately HK\$217.0 million) and the total number of 281,181,680 ordinary shares of the Company at par value of HK\$0.001 each (As at 31 December 2021: 275,601,680 ordinary shares of the Company at par value of HK\$0.001 each) in issue as at that date. The increase in the share capital of the Company during the Period is due to 5,580,000 ordinary shares of the Company was issued and allotted, which was resulted from exercise of share options.

There was no material change in available credit facilities when compared to the financial year ended 31 December 2021. The gearing ratio of the Group was 1.0% as at 30 June 2022 (As at 31 December 2021: 0.3%), which is calculated based on the Group's total liabilities divided by its total assets. Considering the amount of liquid assets on hand and available short-term or margin loan facilities, the Group has sufficient working capital to meet its ongoing operational requirements.

### **Capital Commitments**

As at 30 June 2022, the Group had no material capital commitment.

### **Foreign Exchange Exposure**

As at 30 June 2022, the majority of the Group's investments were either denominated in Hong Kong dollars. The Board considers its exposure to foreign exchange risk was not significant, therefore, no financial instruments was made to hedge such exposures.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the directors of the Company. Upon specific enquiry by the Company, all directors of the Company have confirmed that they complied with the required standards as set out in the Model Code throughout the Period.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES**

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

## **CORPORATE GOVERNANCE**

The Company has complied with the code provisions set out in the Corporate Governance Code (the “CG Code”) stipulated in Appendix 14 of the Listing Rules throughout the Period, save and except for code provision C.2.1, details of which are summarised and explained below.

Based on Code provision C.2.1, 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 and set out in writing. The Company has not appointed the Chairman of the Board and Chief Executive Officer since the resignation of Mr. NG Chi Hoi on 1 August 2016, until Ms. YE Ying was appointed as the Chairman of the Board with effect from 3 January 2022. The Board's current significant decisions are made in Board meetings. Every Board member has the rights and responsibility to propose Board meetings to discuss significant issues he/she concerns, and has the power to make the decisions among other Board members.

The practice of the corporate governance of the Company will be reviewed and updated from time to time in order to comply with Listing Rules requirements.

## **EMPLOYEE AND REMUNERATION POLICIES**

As at 30 June 2022, the Group had 16 employees, including directors of the Company. They are remunerated based on their performance, working experience and prevailing market standards. Employee benefits include medical insurance coverage, a defined contribution Mandatory Provident Fund retirement benefits scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance and share option scheme. There was no significant change in the Group's remuneration policy during the Period.

## **AUDIT COMMITTEE**

The Audit Committee and management of the Company have reviewed the accounting principles and practices adopted by the Group and discussed risk management, internal controls and financial reporting matters, including a review of the unaudited interim accounts for the Period.

As at the date of this announcement, the Audit Committee of the Company is comprised of all independent non-executive directors, namely, Mr. YU Tat Chi Michael, Mr. HUNG Cho Sing and Ms. CHUNG Fai Chun. Mr. YU Tat Chi Michael is the chairman of the Audit Committee.

## APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our appreciation to the Group's management team and staff for their contribution during the Period. I would also like to give our sincere gratitude to all our shareholders for their continuous support.

By Order of the Board  
**Harbour Digital Asset Capital Limited**  
**SHUM Kit Lan Anita**  
*Executive Director*

Hong Kong, 19 August 2022

As at the date of this announcement, the board of directors of the Company comprises:

*Executive director:*

Ms. SHUM Kit Lan Anita

*Non-executive directors:*

Ms. YE Ying (*Chairman*)

Ms. HU Xiaoting

*Independent non-executive directors:*

Mr. HUNG Cho Sing

Ms. CHUNG Fai Chun

Mr. YU Tat Chi Michael