

**HK ACQUISITION CORPORATION**  
**香港匯德收購公司**

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

(於開曼群島註冊成立的有限公司)

Stock code 股份代號：7841

Warrant code 權證代號：4841

**2023** 年報  
ANNUAL REPORT

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Dr. Chan Tak Lam Norman  
Ms. Tsang King Suen Katherine  
Dr. Wong Shue Ngar Sheila  
Mr. Tsang Hing Shun Thomas

### Independent Non-executive Directors

Mr. Hui Chiu Chung  
Mr. Wong See Ho  
Prof. Tang Wai King Grace  
Mr. Zhang Xiaowei

## AUDIT COMMITTEE

Mr. Wong See Ho (*Chairman*)  
Mr. Hui Chiu Chung  
Mr. Zhang Xiaowei

## REMUNERATION COMMITTEE

Prof. Tang Wai King Grace (*Chairlady*)  
Ms. Tsang King Suen Katherine  
Mr. Wong See Ho

## NOMINATION COMMITTEE

Dr. Chan Tak Lam Norman (*Chairman*)  
Mr. Zhang Xiaowei  
Prof. Tang Wai King Grace

## PROMOTERS

Dr. Chan Tak Lam Norman  
Ms. Tsang King Suen Katherine  
Max Giant Limited

## SENIOR ADVISOR

Dr. Lam Lee G.

## COMPANY SECRETARY

Mr. Lee Chung Shing

## WEBSITE

[www.hkacquisition.com](http://www.hkacquisition.com)

## STOCK CODE: 7841

WARRANT CODE: 4841

## AUDITOR

KPMG  
*Certified Public Accountants and  
Public Interest Entity Auditor registered in  
accordance with the Accounting and  
Financial Reporting Council Ordinance*  
8th Floor, Prince's Building  
10 Chater Road  
Central  
Hong Kong

## LEGAL ADVISOR

Sidley Austin  
39/F, Two International Finance Centre  
8 Finance Street  
Central  
Hong Kong

## COMPLIANCE ADVISOR

Somerley Capital Limited  
20/F, China Building  
29 Queen's Road Central  
Central  
Hong Kong

## REGISTERED OFFICE

Maples Corporate Services Limited  
PO Box 309 Uglund House  
Grand Cayman KY1-1104  
Cayman Islands

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 4310-11  
Tower One, Times Square  
1 Matheson Street  
Causeway Bay  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited  
PO Box 1093, Boundary Hall, Cricket Square  
Grand Cayman, KY1-1102  
Cayman Islands

## HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## DEFINITIONS

In this annual report, unless the context otherwise requires, the following words and expressions have the following meanings:

“affiliate(s)”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person, which has the meaning ascribed to it in Rule 501(b) under the United States Securities Act of 1933
“Articles of Association” or “Articles”	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“BVI”	British Virgin Islands
“China” or “PRC”	the People’s Republic of China, but for the purpose of this annual report and for geographical reference only and except where the context requires, references in this annual report to “China” or the “PRC” do not apply to Hong Kong, the Macau Special Administrative Region and Taiwan
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	HK Acquisition Corporation (香港匯德收購公司), an exempted company incorporated in the Cayman Islands with limited liability and the SPAC Shares (stock code: 7841) and the SPAC Warrants (warrant code: 4841) of which are listed on the Stock Exchange
“Company Secretary”	the company secretary of the Company
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person”	has the meaning ascribed to it under the Listing Rules
“Corporate Governance Code”	the Corporate Governance Code set out in Part 2 of Appendix 14 (which has been renumbered to Appendix C1 with effect from 31 December 2023) to the Listing Rules
“De-SPAC Target”	a company or operating business which is the subject matter of a De-SPAC Transaction
“De-SPAC Transaction”	an acquisition of, or a business combination with, a De-SPAC Target by the Company that fulfills the requirements under Rule 18B.36 of the Listing Rules and results in the listing of a Successor Company
“Director(s)”	the director(s) of the Company

## DEFINITIONS

“Earn-out Right”	the right proposed to be granted to the Promoters to receive additional Successor Shares (“ <b>Earn-out Shares</b> ”) after the completion of the De-SPAC Transaction, up to such number of additional Successor Shares that will not exceed 8% of the total number of Shares in issue as of the Listing Date, which is subject to approval by the Shareholders and the compliance with the Listing Rules
“Extra Shine”	Extra Shine Limited, a company incorporated in the BVI with limited liability, which is wholly owned by Dr. Chan Tak Lam Norman and is one of the shareholders of HK Acquisition (BVI)
“Greater China”	for the purpose of this annual report, the area comprising the PRC, Hong Kong, Macau Special Administrative Region and Taiwan
“HK Acquisition (BVI)” or “Promoter Company”	Hong Kong Acquisition Company Limited (香港匯德有限公司), a company incorporated in the BVI with limited liability on 2 December 2021, which is owned as to 51% by Extra Shine, 32% by Pride Vision and 17% by Max Giant, and which holds the Promoter Shares and the Promoter Warrants on behalf of the Promoters in proportion to their respective shareholdings
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS(s)”	Hong Kong Financial Reporting Standards, which include standards, amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“HKMA”	the Hong Kong Monetary Authority
“HKSAR Government”	the government of the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“independent third party(ies)”	an individual(s) or company(ies) who or which, to the best of the Director’s knowledge, information and belief, having made all reasonable enquiries, is/are not connected person(s) of the Company
“Listing”	the listing of the SPAC Shares and the SPAC Warrants on the Stock Exchange
“Listing Date”	the date of the Listing, which is 15 August 2022
“Listing Document”	the listing document issued by the Company dated 9 August 2022 in respect of the SPAC Offering
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

## DEFINITIONS

“Loan Facility”	the unsecured, interest-free loan facility of a principal amount up to HK\$10.0 million provided by HK Acquisition (BVI) to the Company
“Max Giant”	Max Giant Limited (巨溢有限公司), a company incorporated in Hong Kong with limited liability and a licensed corporation to conduct Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO, which is wholly owned by Dr. Wong Shue Ngar Sheila and is one of the Promoters and one of the shareholders of HK Acquisition (BVI)
“Max Giant Group”	a group of entities that are engaged in asset management where Ms. Tsang King Suen Katherine has managerial control or is the ultimate beneficial owner, which comprises offshore fund entities, including hedge funds and private equity funds
“Memorandum of Association” or “Memorandum”	the memorandum of association of the Company, as amended, supplemented or otherwise modified from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix 10 (which has been renumbered to Appendix C3 with effect from 31 December 2023) to the Listing Rules
“Nomination Committee”	the nomination committee of the Board
“Placing Guidelines”	the Placing Guidelines for Equity Securities as set out in Appendix 6 (which has been renumbered to Appendix F1 with effect from 31 December 2023) to the Listing Rules
“Pride Vision”	Pride Vision Group Limited, a company incorporated in the BVI with limited liability, which is wholly owned by Ms. Tsang King Suen Katherine and is one of the shareholders of HK Acquisition (BVI)
“Promoter(s)”	has the meaning ascribed to “SPAC Promoter” under the Listing Rules and, unless the context requires otherwise, refers to Dr. Chan Tak Lam Norman, Ms. Tsang King Suen Katherine and/or Max Giant, being the person(s) who establish(es) the Company and beneficially own(s) the Promoter Shares and the Promoter Warrants
“Promoter Share(s)”	the unlisted Class B ordinary share(s) of the Company with nominal value of HK\$0.0001 each owned beneficially and exclusively by the Promoters
“Promoter Warrant(s)”	the unlisted warrant(s) of the Company owned beneficially and exclusively by the Promoters
“Promoter Warrants Subscription Agreement”	the subscription agreement entered into between the Promoters, HK Acquisition (BVI) and the Company, pursuant to which the Promoter Warrants were issued to HK Acquisition (BVI), which holds such Promoter Warrants on behalf of the Promoters in proportion to their respective shareholdings in HK Acquisition (BVI)

## DEFINITIONS

“Remuneration Committee”	the remuneration committee of the Board
“Renminbi”	the lawful currency of the PRC
“Reporting Period”	the year ended 31 December 2023
“Senior Advisor”	Dr. Lam Lee G. (林家禮), the senior advisor of the Company
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the SPAC Share(s) and the Promoter Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“SPAC” or “special purpose acquisition company”	has the meaning ascribed to it under the Listing Rules
“SPAC Offering”	the offering of the SPAC Shares and the SPAC Warrants to professional investors (as defined in part 1 of schedule 1 to the SFO)
“SPAC Promoter”	has the meaning ascribed to it under the Listing Rules
“SPAC Share(s)”	the Class A ordinary share(s) of the Company with nominal value of HK\$0.0001 each which are listed on the Stock Exchange
“SPAC Shareholder(s)”	holder(s) of the SPAC Share(s)
“SPAC Warrant(s)”	the warrant(s) of the Company which are listed on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Successor Company”	the listed issuer resulting from the completion of a De-SPAC Transaction
“Successor Share(s)”	the share(s) of the Successor Company upon completion of a De-SPAC Transaction

# CHAIRMAN'S STATEMENT

The Board is pleased to announce the annual results of the Company for year ended 31 December 2023, i.e. the Reporting Period.

## OVERVIEW AND OUTLOOK

### Operation review

The Company is a SPAC incorporated for the purpose of conducting an acquisition of, or a business combination with, one or more companies or operating businesses (referred to as a "De-SPAC Transaction" within the meaning as ascribed to it under Rule 18B.01 of the Listing Rules. Although it is not limited to, and may pursue targets in, any industry or geography, the Company intends 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.

The mission of the Company is to generate attractive returns for its Shareholders by selecting a high-quality De-SPAC Target, negotiating favorable acquisition terms at an attractive valuation, and empowering its Successor Company to achieve substantial success post De-SPAC Transaction.

During the Reporting Period, the Company was in the process of selecting a specific De-SPAC Target, and the Company had not, nor had anyone on its behalf, directly or indirectly, completed any negotiation with or evaluation of 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. Prior to the completion of the De-SPAC Transaction, the Company will not engage in any operations other than in connection with the selection, structuring and completion of the De-SPAC Transaction.

### Prospects

The Company will have 24 months from 15 August 2022, being the Listing Date, to make an announcement of the terms of a De-SPAC Transaction and 36 months from the Listing Date to complete the De-SPAC Transaction, subject to any extension period approved by the Shareholders and the Stock Exchange of up to six months. In the forthcoming months, the Company will use its best endeavours to source a De-SPAC Target with strong and sustainable growth prospects and recommend it for approval by the Shareholders and the Stock Exchange.

It is expected that substantial costs will be incurred in evaluating potential De-SPAC Targets and in negotiating and executing a De-SPAC Transaction. If the Company is successful in negotiating a De-SPAC Transaction, it intends to effectuate the transaction using (i) the proceeds from the SPAC Offering; (ii) proceeds from the sale of the Promoter Warrants; (iii) the interest and other income earned on the funds held in the escrow account; (iv) proceeds from mandatory independent third party investments; (v) loans from the 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.



## MANAGEMENT DISCUSSION AND ANALYSIS

The Company has not carried on any business since the date of its incorporation and is not expected to generate any operating revenue other than interest income until the completion of the De-SPAC Transaction, at the earliest.

The Company may generate income in the form of interest and other income on the proceeds from the SPAC Offering and the sale of the Promoter Warrants, and it might receive loans from the Promoters or their affiliates under the unsecured, interest-free loan facility of a principal amount up to HK\$10.0 million provided by the Promoter Company to the Company or other arrangements.

### RESULTS OF OPERATIONS

During the Reporting Period, the Company did not engage in any operations, other than organizational activities and those necessary to prepare for the De-SPAC Transaction. The Company was successfully listed on the Listing Date by way of SPAC Offering. Since then, the Company has continued to identify De-SPAC Targets. As of 31 December 2023, no specific De-SPAC Target had been selected.

The Company did not generate any revenue other than an interest income of approximately HK\$47.6 million and the fair value change in the SPAC Warrants of approximately HK\$1.8 million, and incurred expenses of approximately HK\$95.7 million during the Reporting Period. The Company recorded loss and total comprehensive income for the year of approximately HK\$46.3 million for the Reporting Period. Excluding the equity-settled share-based payment expenses, the fair value changes in the SPAC Warrants and deferred underwriting commissions payable, adjusted profit of the Company amounted to approximately HK\$41.0 million for the Reporting Period.

As of 31 December 2023, the Company had net liabilities of approximately HK\$153.5 million (31 December 2022: approximately HK\$186.4 million).

### NON-HKFRS MEASURE

To supplement the Company's financial statements, which are presented in accordance with the HKFRS, the Company also uses adjusted profit/(loss) as an additional financial measure, which is not required by, or presented in accordance with, the HKFRS. The Company believes that the adjusted measure provides useful information to its Shareholders and potential investors in understanding and evaluating the Company's results of operations in the same manner as they help the Company's management.

Adjusted profit for the Reporting Period represents the loss and total comprehensive income for the year adjusted for non-cash items or one-time events, which includes (i) equity-settled share-based payment expenses, (ii) fair value change of SPAC Warrants, and (iii) fair value change of deferred underwriting commissions payable. The term "adjusted profit" is not defined under the HKFRS. However, the Company believes that this non-HKFRS measure is the reflection of the Company's normal operating results by eliminating the potential impact of items that the management do not consider to be indicative of the Company's operating performance. However, the presentation of the adjusted profit is not intended to be (and should not be) considered in isolation or as a substitute for the financial information prepared and presented in accordance with the HKFRS. Shareholders and potential investors of the Company should not view the non-HKFRS measure (i.e. the adjusted profit) on a stand-alone basis or as a substitute for results under the HKFRS, or as being comparable to results reported or forecasted by other companies.

# MANAGEMENT DISCUSSION AND ANALYSIS

	Year ended 31 December 2023 HK\$	Period from 26 January 2022 (date of incorporation) to 31 December 2023 HK\$
<b>Adjusted profit/(loss)</b> (Note)		
<b>Loss and total comprehensive income for the year/period</b>	(46,264,094)	(175,225,823)
Add:		
Equity-settled share-based payment expenses	79,164,484	100,614,303
Changes in the carrying amount of redemption liabilities arising from the SPAC Shares	—	55,694,586
Listing expenses	—	14,657,636
Fair value change of SPAC Warrants	(1,845,923)	2,976,488
Fair value change of deferred underwriting commissions payable	9,984,759	685,913
<b>Adjusted profit/(loss) for the year/period</b>	<b>41,039,226</b>	<b>(596,897)</b>

Note: Adjusted profit/(loss), a non-HKFRS measure, eliminates the effect of non-cash items or one-time events. The Company believes this measure provides additional information that is useful in gaining a more complete understanding of its operational performance and of the underlying trends of its business.

## LIQUIDITY AND FINANCIAL RESOURCES

On 15 August 2022, the Company received gross proceeds of HK\$1,000,500,000 from the SPAC Offering, which was deposited in an escrow account in Hong Kong. The funds held in the escrow account may be released only to complete the De-SPAC Transaction, satisfy redemption requests of the SPAC Shareholders, and return funds to the SPAC Shareholders upon the suspension of trading of the SPAC Shares and the SPAC Warrants or upon the liquidation or winding up of the Company.

The net proceeds from the sale of the Promoter Warrants, after deducting underwriting related expenses of approximately HK\$15,100,000 and listing expenses of the Company payable following the completion of the SPAC Offering of approximately HK\$7,500,000, were approximately HK\$8,800,000, which will be used to meet the working capital requirements during the period prior to the De-SPAC Transaction.

As of 31 December 2023, the Company had cash and cash equivalents of approximately HK\$27.9 million (31 December 2022: approximately HK\$5.0 million), all of which were denominated in Hong Kong dollars.

## BORROWINGS AND GEARING RATIO

As the Company did not have any borrowings as of 31 December 2023 (31 December 2022: Nil), the net gearing ratio (as calculated by total interest-bearing bank borrowings as of the end of respective period divided by total equity as of the same date) was not applicable to the Company as of 31 December 2023 (31 December 2022: N/A).

## CHARGE ON ASSETS

As of 31 December 2023, there was no charge on assets of the Company (31 December 2022: Nil).

# MANAGEMENT DISCUSSION AND ANALYSIS

## CONTINGENT LIABILITIES

As of 31 December 2023, the Company did not have any material contingent liabilities (31 December 2022: Nil).

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Company will continue to focus on its business strategies as set out in the Listing Document. As of 31 December 2023, the Company had no other future plans for any material investments or capital assets.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company did not purchase, sell or redeem any of its listed securities during the Reporting Period.

## FOREIGN CURRENCY RISK

In the event that the Company acquires a non-Hong Kong target, all revenue and income would likely be received in a foreign currency, and the dollar equivalent of the Company's net assets and distributions, if any, could be adversely affected by reductions in the value of the local currency. Foreign currency values fluctuate and are affected by, among other things, changes in political and economic conditions. Any change in the relative value of such currency against the Company's reporting currency may affect the attractiveness of any De-SPAC Target or, following the completion of the De-SPAC Transaction, the Successor Company's financial condition and results of operations. Additionally, if a currency appreciates in value against the Hong Kong dollar prior to the completion of the De-SPAC Transaction, the cost of a De-SPAC Target as measured in Hong Kong dollars will increase, which may make it less likely that the Company is able to consummate such transaction. Furthermore, if the foreign country in which the Successor Company operates has any restrictions on the transfer of money into and out of its jurisdiction, the Company may not be able to freely transfer funds to complete the De-SPAC Transaction, support the Successor Company's operations or pay dividends to its Shareholders.

## SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company had no significant investments or material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

## EMPLOYEE AND REMUNERATION POLICY

As of 31 December 2023, the Company had no full-time employees (31 December 2022: Nil) and no staff cost had been recognized as expenses of the Company during the Reporting Period (31 December 2022: Nil).

As a SPAC, the Company does not intend to have any full-time employees prior to the completion of the De-SPAC Transaction. Thus, there was no remuneration policy during the Reporting Period and up to the date of this annual report. Any remuneration policy to be adopted after completion of the De-SPAC Transaction will be determined by the Board and reviewed by the Remuneration Committee having taken into account of the business type and size of the De-SPAC Target. In general, the Company expects that the remuneration policy of the Company will provide remuneration packages including salary, bonus and various allowances, so as to attract and retain top quality staff, and the Company will determine employee salaries based on each employee's qualification, position and seniority.

# MANAGEMENT DISCUSSION AND ANALYSIS

## PROCEEDS FROM THE SPAC OFFERING

The Company received gross proceeds of HK\$1,000,500,000 from the SPAC Offering. All of the gross proceeds from the SPAC Offering are held in an escrow account in Hong Kong pursuant to Rule 18B.16 of the Listing Rules and are held in the form of cash or cash equivalents, which may include short-term securities issued by governments with a minimum credit rating of (a) A-1 by Standard & Poor's Ratings Services; (b) P-1 by Moody's Investors Service; (c) F1 by Fitch Ratings; or (d) an equivalent rating by a credit rating agency acceptable to the Stock Exchange. The gross proceeds from the SPAC Offering held in the escrow account do not include the gross proceeds of HK\$31,400,000 from the issue of the Promoter Warrants pursuant to a private placement occurred concurrently with the SPAC Offering. The net proceeds from the sale of the Promoter Warrants, after deducting underwriting related expenses of approximately HK\$15,100,000 and listing expenses of the Company payable following the completion of the SPAC Offering of approximately HK\$7,500,000, were approximately HK\$8,800,000.

The Company intends to, and can only, apply (i) the gross proceeds from the SPAC Offering to complete the De-SPAC Transaction which shall occur within 36 months from the Listing Date, satisfy redemption requests of the SPAC Shareholders, and return funds to the SPAC Shareholders upon the suspension of trading of the SPAC Shares and the SPAC Warrants or upon the liquidation or winding up of the Company; and (ii) the net proceeds from the sale of the Promoter Warrants to meet the working capital requirements during the period prior to the De-SPAC Transaction.

On the completion of the De-SPAC Transaction, the remaining funds held in the escrow account will be used to pay the portion of the consideration payable to the De-SPAC Target or owners of the De-SPAC Target (which must have a fair market value representing at least 80% of the gross proceeds of the SPAC Offering at the time of entry into a binding agreement for the De-SPAC Transaction) which is not funded by the equity or debt financing to be conducted contemporaneous with or prior to the completion of the De-SPAC Transaction, and following that, to repay the advances under the loan facility, to pay expenses associated with the De-SPAC Transaction and to pay deferred underwriting commissions. Any remaining balance of the cash released from the escrow account will be used for general corporate purposes after the completion of the De-SPAC Transaction, including for maintenance or expansion of operations of the Successor Company, the payment of principal or interest due on indebtedness incurred in completing the De-SPAC Transaction, to fund the acquisition of other businesses which may be conducted by the Successor Company after the completion of the De-SPAC Transaction, or for working capital of the Successor Company.

Further details of the breakdown and description of the use of proceeds are set out in the section headed "Proceeds from the SPAC Offering and Escrow Account" in the Listing Document. The Directors were not aware of any material change to the planned use of proceeds as of the Listing Date. As of 31 December 2023, (i) the gross proceeds of HK\$1,000,500,000 from the SPAC Offering were kept in a ring-fenced escrow account domiciled in Hong Kong in accordance with Rule 18B.16 of the Listing Rules; (ii) of the gross proceeds of HK\$31,400,000 from the sale of Promoter Warrants, approximately HK\$5,000,000 remained unutilized as of 31 December 2022, which was fully utilized as general working capital of the Company during the Reporting Period in the manner consistent with that mentioned in the Listing Document.

# DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT

## BOARD OF DIRECTORS

As of the date of this annual report, the Board consists of eight Directors, including four executive Directors and four independent non-executive Directors.

### Executive Directors

**Dr. Chan Tak Lam Norman (陳德霖)**, *GBS*, aged 69, was appointed as an executive Director on 21 February 2022. He has been the chairman of the Board since 21 February 2022. Dr. Chan is responsible for formulating and overseeing strategic direction of the Company. Dr. Chan is also one of the Promoters.

Dr. Chan has a long and distinguished career in banking and finance. Dr. Chan joined the Hong Kong Government as an administrative officer in 1976 and became deputy director (monetary management) of the Office of the Exchange Fund in 1991. He was appointed an executive director of the HKMA when it was established in 1993. From 1996 to 2005, Dr. Chan was the deputy chief executive of the HKMA. From December 2005 to June 2007, Dr. Chan joined the Standard Chartered Bank as vice chairman, Asia, and from July 2007 to July 2009 the director of the Chief Executive's Office of the HKSAR Government. Dr. Chan rejoined the HKMA in October 2009 as its chief executive until September 2019. During his tenure with the HKMA, Dr. Chan had, in addition to protecting Hong Kong's banking and monetary stability, launched a number of major measures and initiatives that would help develop Hong Kong's position as the premier international financial centre in Asia. These include the upgrading of Hong Kong's financial infrastructure, the development of Hong Kong as the global hub for offshore of Renminbi businesses, and the promotion of financial inclusion and innovation. He also played a key role in leading the HKSAR Government's market operation in 1998 and the successful launch of the Tracker Fund of Hong Kong in 1999 as a means to dispose of the stocks that the Government had purchased during such operation. Dr. Chan was appointed as an independent non-executive director of Industrial and Commercial Bank of China Limited (a company incorporated in the PRC with limited liability and listed on the Stock Exchange, stock code: 1398) since 22 September 2022. Dr. Chan has been appointed as vice-chairman of the Council of The Chinese University of Hong Kong for a term of two years with effect from 18 April 2023.

Dr. Chan founded two fintech companies, RD Wallet Technologies Limited and RD ezLink Limited, in 2020 and 2021, respectively, RD Wallet Technologies Limited was established with the mission to develop an e-wallet system that helps to address the pain points in payment for small and medium-sized enterprises engaging in cross border trade. RD Wallet Technologies Limited has been granted a stored value facility license by the HKMA. RD ezLink Limited was established with the mission to provide a fully digitised company profile and identification verification service that helps small and medium-sized enterprises in opening and maintaining bank accounts and in accessing bank finance. As the chairman of the board of directors of these two companies, Dr. Chan assumes various duties, including the convening and chairing of the board meetings, formulating strategic directions for development, and overseeing the governance of these two companies.

Dr. Chan was awarded by the HKSAR Government the Silver Bauhinia Star in 1999 and the Gold Bauhinia Star in 2012. He was conferred Honorary Fellowship of The Chinese University of Hong Kong in 2003, Honorary Doctor of Business Administration by the City University of Hong Kong in 2020 and Honorary Doctor of Business Administration by Lingnan University in 2021. Dr. Chan is also an Honorary Advisory President of The Hong Kong Institute of Bankers.

Dr. Chan received a Bachelor of Social Science from The Chinese University of Hong Kong in December 1976.

## DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT

**Ms. Tsang King Suen Katherine (曾璟璇)**, aged 66, was appointed as an executive Director on 21 February 2022. She has been the chief executive officer of the Company since 21 February 2022, and is responsible for overseeing the overall management and strategic planning of the Company. Ms. Tsang is also one of the Promoters. Ms. Tsang is the aunt of Mr. Tsang Hing Shun Thomas, an executive Director and the chief investment officer of the Company.

Ms. Tsang is a well-recognized member of the Asian financial and business community. Ms. Tsang worked in Standard Chartered Bank for 22 years, joining the bank in December 1992 and was the bank's chairperson of Greater China from August 2009 to August 2014. In this role, she chaired the boards of Standard Chartered Bank in Hong Kong, China and Taiwan and facilitated the Standard Chartered Bank's strategy in the Greater China region. Following her retirement from Standard Chartered Bank, she personally founded Max Giant Group, a group of entities that are engaged in asset management where Ms. Tsang has managerial control or is the ultimate beneficial owner, which as of the date of this annual report comprises four offshore fund entities, including two hedge funds and two private equity funds.

Ms. Tsang has also been recognized and served under various roles in Hong Kong and overseas. She has been a member of the Advisory Council for China of the City of London since October 2010, an honorary board member of Shanghai Jiao Tong University since June 2011, a member of Finance and Investment Committee of The Boys' and Girls' Clubs Association of Hong Kong since September 2020. Ms. Tsang was a member of the World Economic Forum's Global Agenda Council on China from 2009 to 2012 and a member of Sotheby's Asia Advisory Board from November 2011 to November 2014.

Ms. Tsang received a Bachelor of Commerce from the University of Alberta, Canada in November 1978.

Ms. Tsang is currently a director of the following listed companies or subsidiaries of listed company:

Period of service	Name of company	Principal business	Place of listing and stock code	Position
December 2016 — present	China CITIC Bank International Limited, an indirect subsidiary of CITIC Limited	Commercial banking	CITIC Limited is listed on the Stock Exchange (stock code: 267)	Independent non-executive director
July 2017 — present	Fidelity Emerging Markets Limited	Closed-ended investment fund	London Stock Exchange (stock code: FEML:LN)	Independent non-executive director
June 2019 — present	Budweiser Brewing Company APAC Limited	Brewing and distribution of beer in the Asia Pacific region	Stock Exchange (stock code: 1876)	Independent non-executive director
December 2020 — present	Fosun International Limited	Financial, property, steel and healthcare businesses	Stock Exchange (stock code: 656)	Independent non-executive director

## DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT

Ms. Tsang was a director of the following companies prior to their dissolution with details as follows:

Name of company	Place of incorporation	Nature of business	Date of dissolution	Means of dissolution
Million Win Corporation Limited (百凱有限公司)	Hong Kong	Investment holding	12 November 2010	Deregistration
Gallant King Limited (方雄有限公司)	Hong Kong	Investment holding	20 April 2001	Deregistration

Ms. Tsang confirmed that there was no wrongful act on her part leading to the dissolution and each of these companies was inactive and solvent at the time when they were dissolved and, so far as she is aware, the dissolution of these companies has not resulted in any liability or obligation being imposed against her.

**Dr. Wong Shue Ngar Sheila (黃書雅)**, aged 57, was appointed as a Director on 26 January 2022 and was re-designated as an executive Director on 21 February 2022. She has been the chief operating officer of the Company since 21 February 2022, and is responsible for overseeing the operations, administration and financial matters of the Company. Dr. Wong is also the sole shareholder, the manager in charge and director of Max Giant, one of the Promoters. Max Giant is a licensed entity by the SFC with Type 4 (advising on securities) and Type 9 (asset management) regulated activities and acts as the manager for all the fund entities of the Max Giant Group. Dr. Wong was nominated to the Board by Max Giant.

Dr. Wong has over 30 years of managerial experience in leading multinational companies of different industries. Before the founding of Max Giant with Ms. Tsang King Suen Katherine and Mr. Tsang Hing Shun Thomas in May 2014, she worked for Standard Chartered Bank from June 2001 to March 2008 where her last position as its head of corporate affairs, China. Dr. Wong had also held senior management positions in Cathay Pacific Airways Limited and Cable & Wireless HKT Limited (which was subsequently acquired by PCCW in August 2000) from July 1989 to May 2001. Dr. Wong had also founded a few start-ups and made investments in the food & beverage industry in Hong Kong and mainland China during the period between September 2009 and February 2021.

Dr. Wong has been licensed by the SFC to carry out Type 9 (asset management) regulated activity since December 2017. She has been accredited to the principal and approved as the responsible officer for Type 4 (advising on securities) and Type 9 (asset management) regulated activities of Max Giant since February 2023 and December 2017, respectively.

Dr. Wong obtained a Doctor of Philosophy in Oriental Management Studies from Fudan University in January 2011, a Master of Business Administration from the University of Michigan in May 1996 and a Bachelor of Social Science from The University of Hong Kong in December 1989.

Dr. Wong was a director of the following company prior to its dissolution with details as follows:

Name of company	Place of incorporation	Nature of business	Date of dissolution	Means of dissolution
Million Win Corporation Limited (百凱有限公司)	Hong Kong	Investment holding	12 November 2010	Deregistration

Dr. Wong confirmed that there was no wrongful act on her part leading to the dissolution and this company was inactive and solvent at the time when it was dissolved and, so far as she is aware, the dissolution of this company has not resulted in any liability or obligation being imposed against her.



## DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT

**Mr. Tsang Hing Shun Thomas (曾慶淳)**, aged 45, was appointed as an executive Director on 28 March 2022. He has been the chief investment officer of the Company since 21 February 2022, and is responsible for overseeing investor relations and investment decisions of the Company. Mr. Tsang has been licensed by the SFC to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities since February 2019 and June 2014, respectively, and has been approved by the SFC as the responsible officer of Max Giant for its Type 4 (advising on securities) and Type 9 (asset management) regulated activities since February 2019 and June 2014, respectively. Mr. Tsang is a nephew of Ms. Tsang King Suen Katherine, an executive Director and the chief executive officer of the Company. Mr. Tsang was nominated to the Board by Max Giant.

Mr. Tsang has over 13 years of experience in investment industry. Before the founding of Max Giant with Ms. Tsang King Suen Katherine and Dr. Wong Shue Ngar Sheila in May 2014, Mr. Tsang worked at Oracle Corporation in Redwood City, California, USA as a software developer from September 2002 to March 2008. He was responsible for the development of multiple database technology hosting platforms as well as playing a major role in a global software development team. As a member of Oracle's APAC Projects Team, Mr. Tsang also actively participated in setting up Oracle's first development centre in China. From November 2008 to May 2014, Mr. Tsang worked at Hony Capital, a private equity firm, as an investment manager and was responsible for fund raising, deal sourcing, cross-border investments, portfolio management and capital markets activities for funds in Hong Kong and the Asian region.

Mr. Tsang obtained a Master of Engineering in Electrical and Electronic Engineering from the University of Bristol in June 2002 and a Master of Business Administration from Stanford University in June 2008.

### Independent Non-executive Directors

**Mr. Hui Chiu Chung (許照中)**, JP, aged 76, was appointed as an independent non-executive Director on 18 May 2022. Mr. Hui is responsible for providing independent advice on the management of the Company.

Mr. Hui has over 50 years of experience in the securities and investment industry. Mr. Hui served as the council member and vice chairman of the Stock Exchange from 1991 to 1996 and from 1997 to 2000, respectively, a member of the Advisory Committee of the Hong Kong Securities and Futures Commission from 1997 to 2005, a director of the Hong Kong Securities Clearing Company Limited from 1991 to 1996 and from 1997 to 2000, a member of the Listing Committee and an government-appointment independent non-executive director of the Hong Kong Exchanges and Clearing Limited from 2003 to 2009 and from 2009 to 2015, respectively, an appointed member of the Securities and Futures Appeal Tribunal from 2003 to 2009, a member of Standing Committee on Company Law Reform from 2006 to 2010, a member of the Committee on Real Estate Investment Trusts of the SFC from 2005 to 2011 and also an appointed member of the Hong Kong Institute of Certified Public Accountants Investigation Panel A from 2005 to 2011. Mr. Hui has been a fellow member of The Hong Kong Institute of Directors since September 2002 and a senior fellow member of Hong Kong Securities and Investment Institute since September 2014.

Mr. Hui was appointed as a Justice of the Peace by the HKSAR Government in 2004 and was appointed a member of the Zhuhai Municipal Committee of the Chinese People's Political Consultative Conference in 2006. He had also been a government-appointed independent member of the Appeal Panel of the Travel Industry Council of Hong Kong in 2007.

Mr. Hui has been licensed by the SFC to carry out Type 1 (dealing in securities), Type 2 (dealing in future contract), Type 4 (advising on securities), Type 5 (advising on future contract), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities since February 2005, December 2011, June 2012, February 2015, July 2017 and December 2013.



## DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT

Mr. Hui is currently or has served as a director of the following listed companies during the three years immediately preceding the date of this annual report:

Period of service	Name of company	Principal business	Place of listing and stock code	Position
April 1998 — June 2021	Zhuhai Holdings Investment Group Limited	Management of holiday resort, a theme park and an amusement park and provision of port facilities and ticketing services in the PRC	Stock Exchange (stock code: 908); delisted in June 2021 due to privatization	Independent non-executive director
December 2004 — present	Gemdale Properties and Investment Corporation Limited	Property development, property investment, and micro-financing businesses	Stock Exchange (stock code: 535)	Independent non-executive director
July 2005 — present	Lifestyle International Holdings Limited	Operation of department stores and property development and investment in Hong Kong and United Kingdom	Stock Exchange (stock code: 1212); delisted in December 2022 due to privatisation	Independent non-executive director
April 2011 — present	China South City Holdings Limited	Property development and investment and provision of property management, logistics and e-commerce services	Stock Exchange (stock code: 1668)	Independent non-executive director
October 2011 — present	Luk Fook Holdings (International) Limited	Sourcing, designing, wholesaling, trademark licensing and retailing of a variety of jewellery	Stock Exchange (stock code: 590)	Non-executive director
April 2013 — present	SINOPEC Engineering (Group) Co., Ltd.	Engineering, procurement and construction contracting businesses	Stock Exchange (stock code: 2386)	Independent non-executive director
June 2014 — present	Agile Group Holdings Limited	Property development in the PRC	Stock Exchange (stock code: 3383)	Independent non-executive director
November 2015 — present	FSE Lifestyle Services Limited	Provision of E&M engineering and environmental engineering services in Hong Kong and E&M engineering operations in the PRC and Macau	Stock Exchange (stock code: 331)	Independent non-executive director

## DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT

While Mr. Hui is currently holding directorships in the aforesaid companies listed on the Stock Exchange or other stock exchanges, the Directors are of the view that Mr. Hui will be able to devote sufficient time to discharge his duties and responsibilities as an independent non-executive Director having regard to the following factors:

- (a) Mr. Hui has demonstrated that he is capable of devoting sufficient time to discharge his duties owed to each of these listed companies. According to the latest available annual reports of these companies, Mr. Hui had maintained a high attendance record and was able to attend most of their board meetings, committee meetings and annual general meetings during the relevant financial years;
- (b) Mr. Hui has extensive knowledge and experience in corporate governance and discharging directors' duties through his participation in continuous professional development and trainings and his past working experience and his services as a director in different listed companies. He is fully aware of his responsibilities and the expected time involvement serving as a director and in estimating the time required for attending to the affairs of each listed company;
- (c) none of the listed companies that he holds directorship with has questioned or complained about his time devoted to such listed companies;
- (d) there is no particular period during the year in which Mr. Hui is likely to be fully occupied by his other directorships, which will otherwise prevent Mr. Hui from devoting sufficient time to the Company's affairs. Despite that six listed companies in which Mr. Hui is a director have fiscal year end within three months (i.e. 31 December and 31 March), these companies have different publication dates of its annual or interim results. As required under the Listing Rules, listed issuers must publish an announcement of its interim results and annual results not later than two months and three months, respectively, after the date upon which the financial period ended. Accordingly, the dates of publication of the annual or interim results of the listed companies with financial year ends of 31 December will not overlap with the dates of publication of the annual or interim results of the listed companies with financial year ends of 31 March. In addition, Mr. Hui is acting as the non-executive director or independent non-executive directors in all these listed companies which are non-executive in nature. The roles of Mr. Hui in these listed companies primarily require him to perform high-level review and oversight rather than to assume a full time role or to allocate substantial time to participate in these listed companies;
- (e) Mr. Hui has been the chairman of the board committee of four listed companies for at least five years, and is familiar with the background of these companies. Through his long tenure serving in these companies, he has gained extensive company-specific knowledge and experience in discharging his duties in these companies, and he is well aware of the expected time involvement which enables him to plan ahead for attending to the affairs of each listed company;
- (f) Mr. Hui's role in the Company is non-executive in nature and he will not be involved in the Company's day-to-day management, thus his engagement as an independent non-executive Director will not require his full-time participation;
- (g) Mr. Hui has confirmed to the Company that he has the capability and has undertaken that he will be committed to devoting sufficient time to discharge his duties and responsibilities as an independent non-executive Director, taking into account his experience in acting as director of a number of listed companies and the time he is required to devote to each of these listed companies; and

## DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT

- (h) the Nomination Committee will review on an annual basis whether Mr. Hui is devoting sufficient time and attention to the affairs of the Company, including but not limited to the review of his attendance record of the Board. If there are concerns on the time commitments by Mr. Hui, Nomination Committee will request Mr. Hui to provide a confirmation of his commitment to devote sufficient time to attend to the affairs of the Company on an annual basis, and timely update the Board of any changes to his significant commitments. Furthermore, if the Nomination Committee has become aware of any issue relating to performance of and time commitment by Mr. Hui, the Nomination Committee will report to the Board in a timely manner.

As of the date of this annual report, the Nomination Committee has reviewed and is not aware of any issues relating to the performance and time commitment by Mr. Hui.

Mr. Hui was a director of the following company prior to its dissolution with details as follows:

Name of company	Place of incorporation	Nature of business	Date of dissolution	Means of dissolution
PW Asia Forex Limited (萬信外匯有限公司)	Hong Kong	Foreign exchange trading	21 September 2001	Striking off

Mr. Hui confirmed that there was no wrongful act on his part leading to the dissolution and this company was inactive and solvent at the time when it was dissolved and, so far as he is aware, the dissolution of this company has not resulted in any liability or obligation being imposed against him.

**Mr. Wong See Ho (黃思豪)**, BBS, aged 74, was appointed as an independent non-executive Director on 18 May 2022. Mr. Wong is responsible for providing independent advice on the management of the Company.

Mr. Wong has over 40 years of professional accountancy and managerial experience in the transport and logistics industry. Mr. Wong joined Cathay Pacific Airways Limited in September 1968 and worked in Airline Planning, Internal Audit and Accounts Department of Cathay Pacific Airways Limited. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, qualified in July 1974 and has over 20 years of working experience in accounting with Cathay Pacific Airways Limited. He was promoted to become general manager finance in January 1989 before he moved into general management work starting with the position of chief executive and general manager of Swire Air Caterers Limited (now known as "Cathay Pacific Catering Services (HK) Limited") in December 1992. In February 1998, he was appointed as chief executive officer responsible for the worldwide operations of Cathay Pacific Catering Services (HK) Limited. Mr. Wong was also a director of Vogue Laundry Service Limited which is one of Asia's largest single-site laundry plants from March 1990 to December 1999 and was appointed as its chairman in November 1994. Mr. Wong then joined Hong Kong Air Cargo Terminals Limited, being by far, the largest air cargo terminal under one roof in the world, as managing director in April 1999. He relinquished his executive position effective September 2010 and remained as its senior advisor to the company until his retirement in May 2012.

Mr. Wong had been a member of the Aviation Development Advisory Committee (now known as "Aviation Development and Three-runway System Advisory Committee") for 10 years from September 2009. Mr. Wong has been a fellow member of the Hong Kong Institute of Certified Public Accountants since July 1982 and a chartered fellow of The Chartered Institute of Logistics and Transport since August 2011.

Mr. Wong was awarded by the HKSAR Government the Bronze Bauhinia Star in 2011 in recognition of his dedication and valuable contribution to the development of the logistics industry in Hong Kong.

## DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT

Mr. Wong obtained a Master of Business Administration from the University of East Asia, Macau in October 1991.

Mr. Wong was a director of the following companies prior to its dissolution with details as follows:

Name of company	Place of incorporation	Nature of business	Date of dissolution	Means of dissolution
Ultra Fund Limited	Hong Kong	Trading	13 November 2020	Deregistration

Mr. Wong confirmed that there was no wrongful act on his part leading to the dissolution and this company was inactive and solvent at the time when it was dissolved and, so far as he is aware, the dissolution of this company has not resulted in any liability or obligation being imposed against him.

**Prof. Tang Wai King Grace (鄧惠瓊)**, SBS, JP, aged 77, was appointed as an independent non-executive Director on 18 May 2022. Prof. Tang is mainly responsible for providing independent advice on the management of the Company.

Prof. Tang has over 40 years of professional medical, education and managerial experience. She worked in the Department of Obstetrics and Gynaecology at The University of Hong Kong from 1973 till her retirement in 2016, holding the position of clinical professor, and from 2011 to 2016 she was seconded to the HKU-Shenzhen Hospital to serve as its founding hospital chief executive, to build a pilot hospital in mainland China for healthcare reform, as well as a world-class hospital in clinical service, teaching and research.

Prof. Tang has extensive experience in medical education, being the dean of medicine of The University of Hong Kong from 1998 to 2001 and the president of the Hong Kong Academy of Medicine from 2005 to 2008, a statutory organization for specialist training in Hong Kong. She had also served in various bodies and organizations in the area of healthcare, including as the vice president of Family Planning Association, chairlady of the Supplementary Medical Professions, Council and Registration Committee of Veterinary Surgeons Board, and a member of the Nursing Board and the Human Reproductive Technology Council.

Prof. Tang is currently Chairwoman of the Medical Council of Hong Kong and chairs its Education and Accreditation Committee, a member of the Hong Kong Children Hospital Governing Committee, and chairman of the Special Registration Committee. Prof. Tang has been a foundation member of the Hong Kong College of Obstetricians and Gynaecologists since June 1989 and a fellow member of the Hong Kong Academy of Medicine since December 1993.

Prof. Tang was appointed as a Justice of the Peace in 2001 and was awarded the Silver Bauhinia Star in 2008 by the HKSAR Government.

Prof. Tang received a Bachelor of Medicine and Bachelor of Surgery from The University of Hong Kong in October 1971 and a Doctor of Medicine from The University of Hong Kong in December 2006.

## DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT

**Mr. Zhang Xiaowei (張小衛)**, aged 66, was appointed as an independent non-executive Director on 18 May 2022. Mr. Zhang is responsible for providing independent advice on the management of the Company.

Mr. Zhang has over 35 years of experience in the banking industry in both Mainland China and Hong Kong.

From December 1984 to November 1991, he worked in different departments at the headquarters of the Agricultural Bank of China Limited, including the planning department, the economic reforming and restructuring office, and the international business department. He served successively as a senior officer, deputy division head and division head.

From November 1991 to April 1995, Mr. Zhang worked at the Bank of Communications, Hainan branch and served as the head of its international business department and a vice president of the branch. From April 1995 to April 2000, he worked at the Bank of Communications Hong Kong branch and served as a vice president.

From September 2000 to August 2002, he was the chief representative of the China Merchants Bank's Hong Kong representative office. During this period he led the preparation work for the establishment of the China Merchants Bank Hong Kong branch. Following its establishment in August 2002, Mr. Zhang became the president of China Merchants Bank Hong Kong branch until July 2011.

From July 2011 to September 2012, Mr. Zhang was the executive director and general manager of Wing Lung Bank Limited.

In October 2012, Mr. Zhang joined China CITIC Bank International Limited, an indirect subsidiary of CITIC Limited (stock code: 267), as executive director, president and chief executive officer in Hong Kong. In September 2018, Mr. Zhang resigned from his positions in China CITIC Bank International Limited, and was redesignated to non-executive director and vice chairman. In May 2019, he retired from the positions of non-executive director and vice chairman and remained as an advisor to the chief executive officer until July 2019. Mr. Zhang also served as non-executive director of China CITIC Bank Corporation Limited (stock code: 998) from January 2013 to August 2016.

Mr. Zhang obtained a Bachelor of Economics degree from the Beijing Institute of Economics (now known as the Capital University of Economics and Business) in January 1982 and a Master of Economics in monetary banking from the Graduate School of the People's Bank of China in December 1984.

# DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT

## SENIOR ADVISOR

**Dr. Lam Lee G. (林家禮)**, *BBS, JP*, aged 64, was appointed as the Senior Advisor on 18 May 2022. The role of Senior Advisor is advisory in nature only. Unlike the Directors, Senior Advisor will not perform any director or executive function with the Company, make any decisions in relation to potential De-SPAC Targets or the De-SPAC Transaction, or involve in the daily management of the Company. Dr. Lam is responsible for advising on strategic development and investment of the Company, providing professional insights in identifying and assessing the suitability of potential De-SPAC Targets and contributing industry-specific guidance on the De-SPAC Transaction.

Dr. Lam has over 40 years of extensive international experience in corporate management, strategy consulting, policy advocacy, corporate governance, direct investment, investment banking and asset management. Dr. Lam earlier served as a general manager of Hongkong Telecom from November 1989 to August 1993, vice president and managing partner — Greater China of the international management consulting firm A.T. Kearney, Inc. from September 1993 to January 1995, group operations director of New World Telephone Holdings Limited from January 1995 to December 1996, president and chief executive officer of Millicom International Cellular Asia Pte. Ltd. from July 1997 to September 1998, partner and partner-in-charge of the Global Chinese Network Practice of Heidrick & Struggles Inc. from December 1998 to October 1999, executive director of Singapore Technologies Telemedia (a member of Temasek Holdings) from April 2000 to September 2001, vice chairman and chief operating officer of Investment Banking Division of BOC International Holdings Limited (the international investment banking arm of the Bank of China group) from September 2001 to April 2003, president and chief executive officer and vice chairman of the board of Chia Tai Enterprises International Limited (now known as C.P. Lotus Corporation) of multinational conglomerate CP Group from January 2003 to September 2006, chairman — Hong Kong and ASEAN Region and senior adviser — Asia, of Macquarie Capital (Hong Kong) Limited from May 2007 to March 2015, and non-executive chairman — Greater China and ASEAN Region and chief advisor — Asia of Macquarie Infrastructure and Real Assets (Hong Kong) Limited from May 2015 to May 2021. Dr. Lam retired as senior advisor, Macquarie Group Asia with effect from June 2022.

Dr. Lam served as chairman of Hong Kong Cyberport, a member of the Committee on Innovation, Technology and Re-Industrialization, the Sir Murray MacLehose Trust Fund Investment Advisory Committee and the Development Bureau Common Spatial Data Advisory Committee, and a part-time member of the Central Policy Unit of the HKSAR Government. Actively participating in community service and international cooperation, Dr. Lam is a member of the Chief Executive's Policy Unit Expert Group, the Governance Committee of the Hong Kong Growth Portfolio and the Green Technology and Finance Development Committee of the HKSAR Government, and convenor of the Panel of Advisors on Building Management Disputes of the HKSAR Government Home Affairs Department. He is also a member of the Belt and Road and Greater Bay Area Committee of the Hong Kong Trade Development Council, advisor to Our Hong Kong Foundation, chair of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) Sustainable Business Network, vice chairman of Pacific Basin Economic Council, and a member of the board of directors and chairman of the Permanent Commission on Economic and Financial Issues of the World Union of Small and Medium Enterprises.

## **DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT**

Dr. Lam obtained a Bachelor of Science in Mathematics-Science from the University of Ottawa in May 1982, a Master of Science in Systems Science from the University of Ottawa in October 1985, a Master of Business Administration from the University of Ottawa in March 1989, a Doctor of Philosophy from The University of Hong Kong in December 2004, a Bachelor of Laws from the Manchester Metropolitan University in July 2006, a Master of Laws in Corporate Law from the University of Wolverhampton in October 2009 and a Master of Public Administration from The University of Hong Kong in November 2013. Dr. Lam is a former member of the Hong Kong Bar, and was admitted as a solicitor of the High Court of Hong Kong in September 2014. He is also an accredited mediator of the Centre for Effective Dispute Resolution (CEDR), a fellow of the Hong Kong Institute of Arbitrators, the Hong Kong Institute of Directors and Certified Management Accountants (CMA) Australia, an international affiliate of the Hong Kong Institute of Certified Public Accountants (HKICPA), an honorary fellow of Certified Public Accountants (CPA) Australia, the Hong Kong Institute of Facility Management and the University of Hong Kong School of Professional and Continuing Education, and a distinguished fellow of the Hong Kong Innovative Technology Development Association.

The Board believes that it would be beneficial and in the interest of the Company and Shareholders to have Dr. Lam as the Senior Advisor as it would allow the Board to have access to further expertise in identifying and assessing potential De-SPAC Targets. Dr. Lam had served as the chairman of Hong Kong Cyberport Management Company Limited for six years until March 2022, which managed Cyberport, an innovative digital technology community in Hong Kong with over 1,650 start-ups and technology companies. Backed by the HKSAR Government, Cyberport is Hong Kong's digital technology flagship committed to inspiring innovation, nurturing entrepreneurs, scaling up tech start-ups and attracting global talent, partners and companies to Hong Kong for collaborations and business opportunities. It focuses on promoting and facilitating the growth of major technology trends such as fintech, smart living, digital entertainment/e-sports and cybersecurity, as well as the emerging technologies of artificial intelligence (AI), big data and blockchain. Cyberport also offers full-range entrepreneurial support and value-added services for both local and overseas fintech companies to springboard them to success. It maintains various creative, entrepreneurship and incubation programmes which identifies, nurtures and assists high potential digital tech projects to promote and facilitate their development. As the primary goal of the Company is to identify and acquire a high growth De-SPAC Target with differentiated and compelling competitive edges in the financial services and technology sectors in the Greater China area, the Company believes that Dr. Lam's extensive network, industry-specific expertise and deep industry experience in the innovation and technology sector, in particular his expertise in identifying, nurturing and developing start-ups including fintech businesses, can assist the Company to identify and assess an ideal De-SPAC Target.

Dr. Lam has been appointed as Senior Advisor for a term of three years commencing on the Listing Date, which may be terminated by not less than three months' notice in writing served by either party on the other or upon the completion of De-SPAC Transaction, whichever is earlier. He will be paid a fixed quarterly advisory fee of HK\$45,000 by the Company which is not depending on or related to the completion of the De-SPAC Transaction, share price or other performances of the Company. No other benefits and rewards (including any Earn-out Right) are anticipated to be provided to Dr. Lam during his term of appointment. The terms of the appointment of Dr. Lam as the Senior Advisor will be reviewed by the Board on a regular basis. The Company will make an announcement and/or disclose in its interim/annual reports any change in relation to Dr. Lam's appointment as Senior Advisor.

# DIRECTORS, SENIOR ADVISOR AND SENIOR MANAGEMENT

## SENIOR MANAGEMENT

Members of the senior management of the Company include Dr. Chan Tak Lam Norman as the chairman of the Company, Ms. Tsang King Suen Katherine as the chief executive officer of the Company, Dr. Wong Shue Ngar Sheila as the chief operating officer of the Company and Mr. Tsang Hing Shun Thomas as the chief investment officer of the Company.

## COMPANY SECRETARY

**Mr. Lee Chung Shing (李忠成)** was appointed as the Company Secretary on 23 February 2022. He is mainly responsible for company secretarial matters of the Company.

Mr. Lee currently serves as the vice president of governance services of Computershare Hong Kong Investor Services Limited. He has over 20 years of experiences in providing services to listed companies in the areas of auditing, financial management, company secretarial services and investors relations. He is currently the joint company secretary and the company secretary of various companies listed on the Stock Exchange.

Mr. Lee obtained a Bachelor of Arts in Accountancy from The City University of Hong Kong in December 1994 and a Master of Business Administration (Financial Services) from The Hong Kong Polytechnic University in November 2002. Mr. Lee has been an associate member of the Hong Kong Institute of Certified Public Accountants since March 1999 and a fellow member of the Association of Chartered Certified Accountants since July 2003.



# CORPORATE GOVERNANCE REPORT

The Board hereby presents the Corporate Governance Report for the Reporting Period.

## CORPORATE GOVERNANCE

The Directors recognize the importance of incorporating elements of good corporate governance in the management structure and internal control procedures of the Company so as to achieve effective accountability.

The Company has adopted the principles and code provisions set out in the Corporate Governance Code as the basis of the Company's corporate governance practices, and the Corporate Governance Code has been applicable to the Company with effect from the Listing Date.

During the Reporting Period, so far as the Directors are aware, the Company had complied with the then applicable code provisions set out in the Corporate Governance Code.

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its code of conduct regarding Directors' securities transactions. The provisions of the Listing Rules regarding directors' compliance with the code of conduct for securities transactions shall apply to the Company from the Listing Date.

All Directors confirmed, following specific enquiry made by the Company, that they had complied with the guidelines contained in the Model Code during the Reporting Period.

## BOARD OF DIRECTORS

As of the date of this annual report, the Board comprises eight Directors with four executive Directors and four independent non-executive Directors. The composition of the Board is set forth below:

### Executive Directors

Dr. Chan Tak Lam Norman (*Chairman*)  
Ms. Tsang King Suen Katherine (*Chief Executive Officer*)  
Dr. Wong Shue Ngar Sheila (*Chief Operating Officer*)  
Mr. Tsang Hing Shun Thomas (*Chief Investment Officer*)

### Independent Non-executive Directors

Mr. Hui Chiu Chung  
Mr. Wong See Ho  
Prof. Tang Wai King Grace  
Mr. Zhang Xiaowei

Biographical details of the Directors are set out in the section headed "Directors, Senior Advisor and Senior Management" in this annual report. Save as disclosed, no relationship (including financial, business, family or other material/relevant relationship(s)) exist between any members of the Board, the Senior Advisor and the senior management.

# CORPORATE GOVERNANCE REPORT

## **The Roles of the Board, Senior Management and Senior Advisor**

The mission of the Company is to generate attractive returns for the Shareholders by selecting a high-quality De-SPAC Target, negotiating favorable acquisition terms at an attractive valuation, and empowering its Successor Company to achieve substantial success post De-SPAC Transaction. Prior to the completion of the De-SPAC Transaction, the Company will not engage in any operations other than in connection with the selection, structuring and completion of the De-SPAC Transaction.

The Board assumes the responsibility of leadership and control of the Company and oversees the overall management and strategic direction of the Company in identifying potential De-SPAC Targets, and the senior management is responsible for the day-to-day management of the Company and the implementation of the strategies and directions adopted by the Board from time to time. In addition, the Senior Advisor is responsible for advising on the strategic development and investment of the Company, provide professional insights in identifying and assessing the suitability of potential De-SPAC Targets and contribute industry-specific guidance on the De-SPAC Transaction.

## **Independent Non-executive Directors**

For the Reporting Period, the Board has complied with the requirements of Rule 3.10A of the Listing Rules (which specifies that an issuer must appoint independent non-executive directors representing at least one-third of the board), and the requirements of Rules 3.10(1) and 3.10(2) of the Listing Rules (which specify that every board of directors shall include at least three independent non-executive directors, and at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise).

The Company has received from each independent non-executive Director an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules for the Reporting Period. The Company considers all independent non-executive Directors to be independent.

## **Independence Mechanisms**

The Company has in place mechanisms to ensure independent views and input are available to the Board. The Board shall at all times comprise at least three independent non-executive Directors that represent at least one-third of the Board, such that there is always a strong element of independence on the Board which can effectively exercise independent judgement. Each independent non-executive Director is required to provide an annual confirmation of his/her independence to the Company and the Nomination Committee is responsible to assess the independence and time commitment of each independent non-executive Director at least annually.

To facilitate proper discharge of their duties, all the Directors are entitled to seek advice from the Company Secretary or, upon reasonable request, seek independent professional advice at the Company's expense. The chairman of the Board will hold meetings with the independent non-executive Directors without the involvement of other Directors at least annually to discuss any issues and concerns.

# CORPORATE GOVERNANCE REPORT

The Company has adopted a conflicts of interest policy pursuant to which the Directors have a duty to disclose their interests in respect of any contract, proposal, transaction or any other matter whatsoever in which they have any personal material interest, directly or indirectly, or any actual or potential conflicts of interest (including conflicts of interest that arise from any of their directorships, executive positions, employment by or personal investments in the Promoters or any other corporations) (including any compensation arrangement which may, directly or indirectly, be related to the financial performance of and profits arising from the Company) that may involve them, and abstain from the board meetings on matters in which such Directors or their close associates have a material interest, unless the attendance or participation of such Directors at such meeting of the Board is specifically requested by a majority of the independent non-executive Directors.

A resolution which relates to any matter or business in which a substantial shareholder of the Company or a Director has an interest conflicting with that of the Company, which the Directors determine to be material prior to the passing of such resolution, shall not be passed by a resolution in writing and shall only be passed at a meeting of the Directors held in accordance with the Articles. Independent non-executive Directors who, and whose associates, have no interest in the matter should attend the Board meeting.

The Board has reviewed and considered that the mechanisms are effective in ensuring that independent views and input are provided to the Board during the Reporting Period.

## **Term of Appointment of Directors**

Each of the executive Directors and independent non-executive Directors has entered into a service agreement or letter of appointment (as the case may be) with the Company for a term of three years commencing from the date of appointment, which may be terminated by not less than three months' notice in writing served by either party on the other. In accordance with the Articles of Association, every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

## **Directors' Training and Professional Development**

Directors should participate in appropriate continuing professional development to develop and refresh their knowledge and skills. The Company has arranged training for its Directors and provided them with reading material on relevant topics. Every newly appointed Director shall receive a formal and comprehensive induction on the first occasion of his/her appointment to ensure appropriate understanding of the purpose of the Company. In addition, in preparation for the Listing, all Directors have received formal and comprehensive training regarding their responsibilities and obligations under the Listing Rules and relevant laws.

All the Directors have complied with code provision C.1.4 of the Corporate Governance Code and participated in continuous professional development to develop and refresh their knowledge and skills.

# CORPORATE GOVERNANCE REPORT

Training received by Directors during the Reporting Period:

Directors	Types of training <sup>(Note)</sup>
Dr. Chan Tak Lam Norman	A, B
Ms. Tsang King Suen Katherine	A, B
Dr. Wong Shue Ngar Sheila	A, B
Mr. Tsang Hing Shun Thomas	A, B
Mr. Hui Chiu Chung	A, B
Mr. Wong See Ho	A, B
Prof. Tang Wai King Grace	A, B
Mr. Zhang Xiaowei	A, B

Note:

A: Attending training sessions, including but not limited to, briefings, seminars and conferences.

B: Reading relevant news alerts, newspapers, journals, magazines and relevant publications.

## BOARD COMMITTEES

### Audit Committee

The Company has established the Audit Committee with written terms of reference in compliance with the Corporate Governance Code. The Audit Committee consists of three members, all being independent non-executive Directors, namely Mr. Wong See Ho, Mr. Hui Chiu Chung and Mr. Zhang Xiaowei. Mr. Wong See Ho is the chairman of the Audit Committee and he has the appropriate professional qualifications or related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

The primary duties of the Audit Committee include, but are not limited to: (i) reviewing and supervising the Company's financial reporting process and internal control system, risk management and internal audit; (ii) providing advice and comments to the Board in respect of financial, risk management and internal control matters; and (iii) performing other duties and responsibilities as may be assigned by the Board.

During the Reporting Period, the Audit Committee held two meetings to review the annual results of the Company for the period from 26 January 2022 to 31 December 2022, the unaudited interim results of the Company for the six months ended 30 June 2023, and discussed matters with respect to the accounting policies and practices adopted by the Company, risk management and internal control systems and internal audit function of the Company.

### Remuneration Committee

The Company has established the Remuneration Committee with written terms of reference in compliance with the Corporate Governance Code. The Remuneration Committee consists of three members the majority of which being independent non-executive Directors, namely Prof. Tang Wai King Grace, Mr. Wong See Ho and Ms. Tsang King Suen Katherine. Prof. Tang Wai King Grace is the chairlady of the Remuneration Committee.

## **CORPORATE GOVERNANCE REPORT**

The primary duties of the Remuneration Committee include, but not limited to, (i) establishing, reviewing and providing advices to the Board on the Company's policy and structure concerning remuneration of the Directors and on the establishment of a formal and transparent procedure for developing policies concerning such remuneration; (ii) making recommendation to the Board on the specific remuneration package of each Director; and (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Directors from time to time.

During the Reporting Period, the Remuneration Committee held one meeting to conduct annual review on, among other things, the remuneration policy of the Company, performance of executive Directors and the terms of executive Directors' service contracts.

### **Nomination Committee**

The Company has established the Nomination Committee with written terms of reference in compliance with the Corporate Governance Code. The Nomination Committee consists of three members the majority of which being independent non-executive Directors, namely Dr. Chan Tak Lam Norman, Mr. Zhang Xiaowei and Prof. Tang Wai King Grace. Dr. Chan Tak Lam Norman is the chairman of the Nomination Committee.

The primary duties of the Nomination Committee include, but not limited to, (i) reviewing the structure, size and composition of the Board on a regular basis and make recommendations to the Board regarding any proposed changes to the composition of the Board; (ii) identifying, selecting or making recommendations to the Board on the selection of individuals nominated for directorship, and ensure the diversity of the Board members; (iii) performing review on the contributions made by the Directors (including the independent non-executive Directors) and the sufficiency of time devoted to perform their duties; (iv) assessing the independence of the independent non-executive Directors; and (v) making recommendations to the Board on relevant matters relating to the appointment, re-appointment and removal of the Directors and succession planning for the Directors.

During the Reporting Period, the Nomination Committee held one meeting to conduct annual review on, among other things, the nomination policy of the Company, structure, size and composition of the Board, assess the independence of independent non-executive Directors and make recommendations to the Board on the reappointment of Directors.

# CORPORATE GOVERNANCE REPORT

## BOARD MEETINGS AND GENERAL MEETINGS

The following table sets out the attendance of each Director at the meetings of the Board, the Board committees and general meetings during the Reporting Period:

Name of Director	Number of attendance/Number of meetings held				General meeting
	Board	Audit Committee	Remuneration Committee	Nomination Committee	
Dr. Chan Tak Lam Norman	4/4	-	-	1/1	1/1
Ms. Tsang King Suen Katherine	4/4	-	1/1	-	1/1
Dr. Wong Shue Ngar Sheila	4/4	-	-	-	1/1
Mr. Tsang Hing Shun Thomas	4/4	-	-	-	1/1
Mr. Hui Chiu Chung	4/4	2/2	-	-	1/1
Mr. Wong See Ho	4/4	2/2	1/1	-	1/1
Prof. Tang Wai King Grace	4/4	-	1/1	1/1	1/1
Mr. Zhang Xiaowei	4/4	2/2	-	1/1	1/1

## NOMINATION POLICY

Prior to the completion of a De-SPAC Transaction, holders of the Promoter Shares have the right by ordinary resolution to appoint Directors, and all Shareholders have the right by ordinary resolution to remove Directors. Following the completion of the De-SPAC Transaction, all Shareholders shall have the right by ordinary resolution to appoint and remove Directors.

The Directors may appoint any person to be a Director, either to fill a vacancy or as an additional Director in accordance with the Articles of Association. Any Director so appointed shall hold office only until the first annual general meeting of the Company after such Director's appointment and shall then be eligible for re-election at that meeting.

The note to Rule 18B.12 of the Listing Rules requires that where a SPAC Promoter is an individual, that person must be a director of the SPAC, and Rule 18B.13 of the Listing Rules requires that at listing of the SPAC and on an ongoing basis for the lifetime of the SPAC, the board of a SPAC must include at least two individuals licensed by the SFC to carry out Type 6 (advising on corporate finance) and/or Type 9 (asset management) regulated activities for a SFC licensed corporation. Rule 18B.14 of the Listing Rules further requires that at least one of the individuals referred to in Rule 18B.13 of the Listing Rules must be a licensed person of a SPAC Promoter. If there is any material change in the Promoters or Directors referred to in Rule 18B.13 of the Listing Rules, the continuation of the Company following such a material change must be approved by a special resolution of the Shareholders and the Stock Exchange.

## CORPORATE GOVERNANCE REPORT

Therefore, in the event a new or additional Director is to be appointed, the Nomination Committee shall take into account the requirements under Rules 18B.12 to 18B.14 and 18B.32 of the Listing Rules to identify suitably qualified individuals and select or make recommendations to the Board on the selection of, individuals nominated for directorships, as well as ensure that the members of the Board have the skills, experience, and diversity of perspectives appropriate to the requirements of the Company's purpose. The Nomination Committee will evaluate the proposed candidates based on merit and his/her potential contribution to the Board while taking into consideration the Company's purpose and specific needs with reference to a number of factors, including but not limited to SFC licences held (if any), reputation for integrity, accomplishment and experience, commitment in respect of available time and relevant interest and diversity in all its aspects, including but not limited to talent, skills, gender, age, cultural and educational background, ethnicity, professional experience, independence, knowledge and length of service within the Company.

On the basis that Rules 18B.12 to 18B.14 and 18B.32 of the Listing Rules are strictly complied with, the procedures for nominating Directors are as follows:

- (i) The secretary of the Nomination Committee shall call a meeting of the Nomination Committee, and invite nominations of candidates from Board members, if any, for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by Board members.
- (ii) For filling a casual vacancy, the Nomination Committee shall make nominations to the Board for its consideration and approval. For proposing candidates to stand for election at a general meeting, the Nomination Committee shall make recommendations to the Board for its consideration.
- (iii) Until such time as a circular to the Shareholders is issued, nominated persons may not assume that they have been proposed by the Board to stand for election at the general meeting.
- (iv) In order to provide information on the candidates nominated by the Board to stand for election at the general meeting, the Company will issue a circular to the Shareholders, setting out the information on the candidates to the Shareholders in accordance with the applicable laws, rules and regulations.

Shareholders who wish to propose a person other than a retiring Director for election as a Director must be aware of the relevant requirements under Rule 18B.12 to 18B.14 and 18B.32 of the Listing Rules. Subject to the compliance thereunder, Shareholders may lodge a written notice with the Company in accordance with the "Procedures for Shareholders to Propose a Person other than a Retiring Director for Election as a Director" published by the Company on its website at [www.hkacquisition.com](http://www.hkacquisition.com) under "Corporate Governance — Corporate Documents" from time to time.

# CORPORATE GOVERNANCE REPORT

## BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy which sets out the objective and approach to achieve diversity of the Board. The Company recognizes the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. The Company seeks to achieve diversity of the Board through the consideration of a number of factors, including but not limited to talent, skills, gender, age, cultural and educational background, ethnicity, professional experience, independence, knowledge and length of service. The Company selects potential Board candidates based on merit and his/her potential contribution to the Board while taking into consideration its purpose and specific needs from time to time. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board with reference to the stakeholders' expectation and recommended best practices for listed companies in Hong Kong.

The Directors have a balanced mix of knowledge, skills and experience, including but not limited to banking, private equity investment, asset management, entrepreneurship, financial advisory and corporate management. The Company also has three independent non-executive Directors who have different industry backgrounds, including banking, finance, capital markets, medical, accounting, aviation and advanced logistics. Furthermore, the ages of the Directors range from 45 years old to 77 years old. The education background of the Directors ranges from bachelor's degrees in social science, economics, commerce, medicine and surgery, master's degrees in business administration and economics to doctorates of philosophy and medicine. Taking into account its specific needs, the Company considers that the composition of the Board satisfies its board diversity policy.

With regards to gender diversity on the Board, the Company recognizes the particular importance of gender diversity. The Board currently comprises eight Directors, including three female Directors and five male Directors, which reflects the Company's commitment to achieve gender diversity.

The Board considers that the Company has achieved gender diversity at the Board level and targets to maintain at least the current level of female representation. Furthermore, the Company has in place a nomination policy which takes into account Board diversity and procedures for Shareholders to propose a person other than a retiring Director for election as a Director, so as to develop a pipeline of potential successors to the Board and maintain gender diversity.

## DIRECTORS' REMUNERATION POLICY

For the Reporting Period, executive Directors were not entitled to any remuneration from the Company. The Board will review and determine the remuneration and compensation packages of the Directors and will receive recommendation from the Remuneration Committee which will take into account salaries paid by comparable companies, time commitment and responsibilities of the Directors.

As of 31 December 2023, none of the Directors had waived or agreed to waive any remuneration.



# **CORPORATE GOVERNANCE REPORT**

## **REMUNERATION OF SENIOR MANAGEMENT**

For the Reporting Period, no remuneration was payable to members of senior management.

## **DIVERSITY AT WORKFORCE LEVEL**

During the Reporting Period, the Company had no full-time employees. The executive Directors, including two female Directors and two male Directors, are the senior management members of the Company.

The Board considers that the Company has achieved gender diversity at the workforce level and targets to maintain at least the current level of female representation. As of 31 December 2023, the Board was not aware of any mitigating factors or circumstances which make achieving gender diversity across the workforce (including senior management) more challenging or less relevant.

## **DIRECTORS' AND OFFICERS' INSURANCE**

Throughout the Reporting Period, the Company had in place appropriate insurance cover for directors' and officers' liabilities in respect of any legal actions against them arising out of the Company's corporate activities.

## **CORPORATE GOVERNANCE FUNCTION**

The Nomination Committee is responsible to perform the functions set out in code provision A.2.1 of the Corporate Governance Code. During the Reporting Period, the Nomination Committee as part of the Board has developed and reviewed the Company's policies and practices on corporate governance; reviewed and monitored the training and continuing professional development of Directors and senior management and the Company's policies and practices in relation to compliance with legal and regulatory requirements; developed, reviewed and monitored the code of conduct and compliance manual to employees and Directors; and reviewed the Company's compliance with the Corporate Governance Code.

## **INTERNAL CONTROL AND RISK MANAGEMENT**

Senior management of the Company will hold regular meetings on a weekly basis to discuss and identify potential risks that are associated with the Company, and to evaluate and manage any such risks. The risk management and internal control systems aims to control risks that are significant to the Company as a SPAC. The Board acknowledges that it is responsible for the risk management and internal control systems of the Company and reviewing their effectiveness. Such risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve the objectives of the Company, and can only provide reasonable and not absolute assurance against material misstatement or loss. The effectiveness of the risk management and internal control systems of the Company, including financial, operation and compliance controls, will be reviewed by the Audit Committee and further reviewed and assessed by the Board at least annually. The Company also has an internal audit function which primarily carries out analysis and independent appraisal of the adequacy and effectiveness of its risk management and internal control systems.

The Board is of the view that the risk management and internal control systems were effective and adequate for the Reporting Period.

# CORPORATE GOVERNANCE REPORT

## PROCEDURES FOR HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Company maintains a policy on disclosure of inside information with reference to the Guidelines on Disclosure of Inside Information issued by the SFC. The policy sets out procedures and internal controls for handling and disseminating inside information in an appropriate and timely manner, such as taking steps to determine sufficient details, conducting internal assessment of the matter and its possible impact on the Company, seeking professional advice when required and verifying the facts. Anyone in possession of the information must ensure such information is kept in strict confidentiality and is not allowed to deal in any securities of the Company until the information is fully disclosed to the public.

## DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RELATION TO FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the Reporting Period, which give a true and fair view of the condition of the Company. The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial information and other information, which are put to the Board for approval.

The auditor's statement on its reporting responsibilities in respect of the Company's financial statements is set out in the Independent Auditor's Report contained in this annual report. An emphasis of matter is included in the Independent Auditor's Report for the financial statements of the Company for the Reporting Period. The opinion of the auditors, however, remains unqualified. For details, please refer to page 46 of this annual report.

Note 1 to the financial statements describes the purpose and design of the Company, and the consequences if the Company fails to announce and complete the De-SPAC Transaction within the specified time frame. If the Company fails to announce or complete a De-SPAC Transaction within the required time frame, its operations will be ceased and the trading of the SPAC Shares and SPAC Warrants on the Stock Exchange will be suspended, and the Company will, within one month of the suspension, return to all SPAC Shareholders the funds held in the escrow account on a pro rata basis, for a per-Share amount equal to the amount then held in the escrow account, including interest and other income earned on the funds held therein which have not been previously authorized for release to pay the Company's expenses and taxes, divided by the number of the SPAC Shares then in issue and outstanding, which will be not less than the offer price, i.e. HK\$10.00. Upon the completion of the return of funds, the SPAC Shares will be cancelled and the SPAC Shares and SPAC Warrants will be de-listed following the Stock Exchange's publication of an announcement notifying the cancellation of listing.

Save as disclosed, the Directors were not aware of any material uncertainties which may cast significant doubt upon the Company's ability to continue as a going concern.

# CORPORATE GOVERNANCE REPORT

## AUDITOR'S REMUNERATION

For the Reporting Period, the Company had engaged the Company's external auditor, KPMG, to provide the following services and their respective fees charged are set out as below:

Type of services	For the Reporting Period HK\$
Audit services	350,000
Non-audit services:	
Review of interim financial information	180,000
Total	530,000

## COMPANY SECRETARY

The Company engages an external service provider to provide secretarial services and has appointed Mr. Lee Chung Shing as its Company Secretary. During the Reporting Period, the Company Secretary's primary corporate contact person is Dr. Wong Shue Ngar Sheila, who is the executive Director and chief operating officer of the Company. With the assistance of Dr. Wong Shue Ngar Sheila, the Company Secretary provided assistance to the Board and the Directors had access to the advice and services of the Company Secretary.

As of 31 December 2023, Mr. Lee Chung Shing has received relevant professional training of not less than 15 hours respectively in accordance with Rule 3.29 of the Listing Rules.

## SHAREHOLDERS' RIGHTS

### Convening of Extraordinary General Meetings by Shareholders

Pursuant to the Articles of Association, the Directors may call general meetings, and they shall on a members' requisition forthwith proceed to convene an extraordinary general meeting of the Company. A members' requisition is a requisition of one or more members holding at the date of deposit of the requisition not less than 10% of the voting rights, on a one vote per Share basis, of the issued Shares which as at that date carry the right to vote at general meetings of the Company. The members' requisition must state the objects and the resolutions to be added to the agenda of the meeting and must be signed by the requisitionists and deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office of the Company, and may consist of several documents in like form each signed by one or more requisitionists.

If there are no Directors as at the date of the deposit of the members' requisition or if the Directors do not within 21 days from the date of the deposit of the members' requisition duly proceed to convene a general meeting to be held within a further 21 days, the requisitionists, or any of them representing more than one-half of the total voting rights of all of the requisitionists, may themselves convene a general meeting, but any meeting so convened shall be held no later than the day which falls three months after the expiration of the said 21 day period. A general meeting convened as aforesaid by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by Directors.

# CORPORATE GOVERNANCE REPORT

## Putting Forward Proposals at General Meetings

There are no provisions in the Articles or the Companies Act of the Cayman Islands for Shareholders to put forward new resolutions at general meetings. Shareholders who wish to put forward a new resolution may request the Company to convene a general meeting in accordance with the procedures set out in the above paragraph headed “Convening of Extraordinary General Meetings by Shareholders”.

## Enquiries to the Board

The Company maintains a website at [www.hkacquisition.com](http://www.hkacquisition.com), where information on the Company, key corporate governance policies and announcements, financial reports and other information are available for public access. Shareholders and investors may put forward proposals at Shareholders’ meetings and enquiries to the Board by the following means:

Address: Suites 4310–11, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong  
Email: [info@hkacquisition.com](mailto:info@hkacquisition.com)  
Fax: +852 22681800

## INVESTOR RELATIONS

### Shareholders’ Communication Policy

The Company believes that effective communication with Shareholder is essential to enhance investor relations and to keep investors informed of the Company’s performance and strategies. The Company has established various and a wide range of communication channels with Shareholders, including general meetings, publishing corporate communications such as interim results and annual results, financial reports, announcements and circulars. Shareholders may make enquiries with the Company through channels as mentioned above, and provide comments and recommendations to the Directors. Upon receipt of enquiries from Shareholders, the Company will respond as soon as practicable.

In addition, the Company updates its website from time to time to keep the Shareholders update of the recent development of the Company. The Company endeavours to maintain an ongoing dialogue with Shareholders. At the annual general meeting of the Company, the Directors (or their delegates as appropriate) will be available to meet with the Shareholders and answer their enquiries.

Since the Listing, all corporate communications and regulatory announcements were published by the Company on its website and the website of the Stock Exchange in a timely manner. The Board considers that the shareholders’ communication policy is effective during the Reporting Period.

# CORPORATE GOVERNANCE REPORT

## **Dividend Policy**

The Company is not presently engaged in any activities other than in connection with the selection, structuring and completion of the De-SPAC Transaction. Accordingly, the Company has not yet adopted a dividend policy. As of 31 December 2023, the Company has not paid any dividends and will not pay any dividends prior to the date on which the De-SPAC Transaction is completed. The declaration and payment of future dividends after the completion of any De-SPAC Transaction will be subject to various factors, including the Company's 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 the Company's constitutional documents and the Companies Act of the Cayman Islands, and may require the approval of the Shareholders.

## **Constitutional Documents**

The Memorandum of Association and the Articles of Association were conditionally adopted on 18 May 2022 and became effective on the Listing Date. There were no changes in the Memorandum and Articles of Association during the Reporting Period. The latest version of the Memorandum and Articles of Association is available on the Company's website ([www.hkacquisition.com](http://www.hkacquisition.com)) and the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).

## **DIRECTORS' REPORT**

The Board is pleased to present the Directors' report and the audited financial statements of the Company for the Reporting Period.

### **PRINCIPAL ACTIVITIES**

The Company is a special purpose acquisition company incorporated for the purpose of conducting an acquisition of, or a business combination with, one or more companies or operating businesses.

### **OPERATION REVIEW**

The Company's operation review and its future development, an analysis of the Company's results of operations using financial key performance indicators are set out in the section headed "Management Discussion and Analysis" in this annual report.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Company is primarily exposed to liquidity risk arising in the normal course of business. The Company's policy to manage the liquidity risk is to regularly monitor its liquidity requirements to ensure that the Company maintains sufficient reserves of cash to meet its liquidity requirements in the short and long term. Please refer to Notes 2(b) and 17(a) to the financial statements for further details.

In addition, the Company is a special purpose acquisition company that has conducted no operations and has generated no revenues as of the date of this annual report. Until the completion of the De-SPAC Transaction, the Company will have no operations and will generate no operating revenues. The risks that the Company faces as a special purpose acquisition company can be broadly categorized into: (i) risks relating to the Company and the De-SPAC Transaction; (ii) risks relating to potential conflicts of interest; (iii) risks relating to the Company's operations and corporate structure; (iv) risks relating to the relevant jurisdictions; and (v) risks relating to the SPAC Offering. Please refer to the section headed "Risk Factors" in the Listing Documents for further details.

### **FINAL DIVIDEND**

As disclosed in the Listing Document, the Company will not pay any dividends prior to the date on which the De-SPAC Transaction is completed. The Board resolved not to recommend the payment of any final dividend for the Reporting Period.

As of 31 December 2023, there was no arrangement under which a Shareholder had waived or agreed to waive any dividends.

### **SHARE CAPITAL AND SECURITIES**

Details of movements in the share capital of the Company during the Reporting Period are set out in Note 16(a) to the financial statements.

### **DEBENTURES**

The Company did not issue any debentures during the Reporting Period.

### **COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS**

As far as the Board is aware, the Company has complied in all material aspects with the relevant laws and regulations that have a significant impact on the operation of the Company. For the Reporting Period, there was no material breach of, or non-compliance with, applicable laws and regulations by the Company.

# DIRECTORS' REPORT

## RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Company for the Reporting Period are set out in the Statement of Changes in Equity contained in this annual report.

As of 31 December 2023, the Company did not have any distributable reserves.

## RIGHTS OF PRE-EMPTIVE

According to the laws of the Cayman Islands and the Articles of Association, there is no arrangement for the rights of pre-emption.

## TAX RELIEF AND EXEMPTION TO HOLDERS OF LISTED SECURITIES

The Board is not aware of any tax relief or exemption available to the Shareholders due to their holding of the Company's securities.

## EQUITY LINKED AGREEMENTS

The Company had not entered into equity-linked agreement during the Reporting Period.

## BOARD OF DIRECTORS

The Directors during the Reporting Period and up to the date of this annual report are set out below:

### Executive Directors

Dr. Chan Tak Lam Norman  
Ms. Tsang King Suen Katherine  
Dr. Wong Shue Ngar Sheila  
Mr. Tsang Hing Shun Thomas

### Independent Non-executive Directors

Mr. Hui Chiu Chung  
Mr. Wong See Ho  
Prof. Tang Wai King Grace  
Mr. Zhang Xiaowei

Pursuant to Article 27.4 of the Articles of Association, at every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Accordingly, Dr. Chan Tak Lam Norman, Ms. Tsang King Suen Katherine and Mr. Hui Chiu Chung shall retire from office and, being eligible, offer himself/herself for re-election at the forthcoming annual general meeting of the Company.

## **DIRECTORS' REPORT**

### **SERVICE CONTRACTS AND APPOINTMENT LETTERS OF DIRECTORS**

Each of the Directors has entered into a service agreement or letter of appointment (as the case may be) with the Company for a term of three years commencing from the date of appointment, which may be terminated by not less than three months' notice in writing served by either party on the other.

None of the Directors has any existing or proposed service contracts with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

### **MATERIAL INTERESTS OF DIRECTORS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE**

Save as disclosed in the sections headed "Appendix V — General Information — B. Further Information about our business — 1. Summary of material contracts" and "Connected Transaction" in the Listing Document, none of the Directors or any entity connected with the Directors was materially interested in, either directly or indirectly, any transactions, arrangements or contracts of significance relating to the business of the Company to which the Company is a party during the Reporting Period.

### **INTERESTS OF DIRECTORS IN COMPETING BUSINESS**

During the Reporting Period and to the best knowledge of the Directors, none of the Directors or any of their respective associates had interest in any business which competes or is likely to compete, directly or indirectly, with the Company for prospective De-SPAC Targets.

### **DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS**

As of 31 December 2023, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO) which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or which were otherwise required, to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:



# DIRECTORS' REPORT

## INTERESTS IN THE SHARES OF THE COMPANY

Name of Director	Nature of interest	Class of Shares	Number of Shares <sup>(1)</sup>	Percentage of shareholding in the relevant class	Percentage of shareholding in the total issued share capital
Dr. Chan Tak Lam Norman <sup>(2)</sup>	Interest in controlled corporation	Promoter Shares	25,012,500 (L)	100%	20%
		Successor Shares <sup>(3)</sup>	15,700,000 (L)	15.69%	12.55%
Ms. Tsang King Suen Katherine <sup>(4)</sup>	Interest in controlled corporation	Promoter Shares	8,004,000 (L)	32%	6.40%
		Successor Shares <sup>(5)</sup>	5,024,000 (L)	5.02%	4.02%
Dr. Wong Shue Ngar Sheila <sup>(6)</sup>	Interest in controlled corporation	Promoter Shares	4,252,125 (L)	17%	3.40%
		Successor Shares <sup>(7)</sup>	2,669,000 (L)	2.67%	2.13%

Notes:

- The letter "L" denotes the person's long position in the Shares.
- HK Acquisition (BVI) is owned as to 51% by Extra Shine, which is wholly-owned by Dr. Chan Tak Lam Norman. By virtue of the SFO, Dr. Chan Tak Lam Norman is deemed to be interested in the Shares in which HK Acquisition (BVI) is interested.
- HK Acquisition (BVI) holds 31,400,000 Promoter Warrants, which entitle the holder to receive a maximum of 15,700,000 Successor Shares upon exercise on a cashless basis.
- Pursuant to the shareholders' agreement dated 21 June 2022 between, among others, Extra Shine, Pride Vision and Max Giant in relation to HK Acquisition (BVI), Pride Vision is entitled to exercise the voting rights attaching to the 8,004,000 Promoter Shares which HK Acquisition (BVI) holds on its behalf. Pride Vision is wholly owned by Ms. Tsang King Suen Katherine. By virtue of the SFO, Ms. Tsang King Suen Katherine is deemed to be interested in the Shares in which Pride Vision is interested.
- Pursuant to the shareholders' agreement dated 21 June 2022 between, among others, Extra Shine, Pride Vision and Max Giant in relation to HK Acquisition (BVI), Pride Vision is entitled to exercise the voting rights attaching to the 10,048,000 Promoter Warrants which HK Acquisition (BVI) holds on its behalf and which entitle the holder to receive a maximum of 5,024,000 Successor Shares upon exercise on a cashless basis.
- Pursuant to the shareholders' agreement dated 21 June 2022 between, among others, Extra Shine, Pride Vision and Max Giant in relation to HK Acquisition (BVI), Max Giant is entitled to exercise the voting rights attaching to the 4,252,125 Promoter Shares which HK Acquisition (BVI) holds on its behalf. Max Giant is wholly owned by Dr. Wong Shue Ngar Sheila. By virtue of the SFO, Dr. Wong Shue Ngar Sheila is deemed to be interested in the Shares in which Max Giant is interested.
- Pursuant to the shareholders' agreement dated 21 June 2022 between, among others, Extra Shine, Pride Vision and Max Giant in relation to HK Acquisition (BVI), Max Giant is entitled to exercise the voting rights attaching to the 5,338,000 Promoter Warrants which HK Acquisition (BVI) holds on its behalf and which entitle the holder to receive a maximum of 2,669,000 Successor Shares upon exercise on a cashless basis.

Save as disclosed above, as of 31 December 2023, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations, recorded in the register required to be kept under section 352 of the SFO or required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## DIRECTORS' REPORT

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as is known to the Directors, as of 31 December 2023, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would need to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Shareholder	Nature of interest	Class of Shares	Number of Shares <sup>(1)</sup>	Percentage of shareholding in the relevant class	Percentage of shareholding in the total issued share capital
HK Acquisition (BVI)	Beneficial interest	Promoter Shares	25,012,500 (L)	100%	20%
		Successor Shares <sup>(3)</sup>	15,700,000 (L)	15.69%	12.55%
Extra Shine <sup>(2)</sup>	Interest in controlled corporation	Promoter Shares	25,012,500 (L)	100%	20%
		Successor Shares <sup>(3)</sup>	15,700,000 (L)	15.69%	12.55%
Pride Vision <sup>(4)</sup>	Beneficial interest	Promoter Shares	8,004,000 (L)	32%	6.40%
		Successor Shares <sup>(5)</sup>	5,024,000 (L)	5.02%	4.02%
Max Giant <sup>(6)</sup>	Beneficial interest	Promoter Shares	4,252,125 (L)	17%	3.40%
		Successor Shares <sup>(7)</sup>	2,669,000 (L)	2.67%	2.13%
Antong Road Limited	Beneficial interest	SPAC Shares	47,035,000 (L)	47.01%	37.61%
		Successor Shares <sup>(8)</sup>	11,758,750 (L)	11.75%	9.40%
Argyle Street Management Limited <sup>(9)</sup>	Interest in controlled corporation	SPAC Shares	47,035,000 (L)	47.01%	37.61%
		Successor Shares	11,758,750 (L)	11.75%	9.40%
Argyle Street Management Holdings Limited <sup>(9)</sup>	Interest in controlled corporation	SPAC Shares	47,035,000 (L)	47.01%	37.61%
		Successor Shares	11,758,750 (L)	11.75%	9.40%
Mr. Chan Kin <sup>(9)</sup>	Interest in controlled corporation	SPAC Shares	47,035,000 (L)	47.01%	37.61%
Yue Xiu Investment Fund Series Segregated Portfolio Company — Yue Xiu Quantitative Growth SP ("Yue Xiu SP")	Beneficial interest	SPAC Shares	7,820,000 (L)	7.82%	6.25%
		Successor Shares <sup>(10)</sup>	1,955,000 (L)	1.95%	1.56%
Yue Xiu Asset Management Limited <sup>(11)</sup>	Interest in controlled corporation	SPAC Shares	7,820,000 (L)	7.82%	6.25%
		Successor Shares	1,955,000 (L)	1.95%	1.56%
Optimal Success Investments Limited	Beneficial interest	SPAC Shares	9,315,000 (L)	9.31%	7.45%
		Successor Shares <sup>(12)</sup>	2,328,750 (L)	2.33%	1.86%
Fortuna SPAC Fund SP3 <sup>(13)</sup>	Interest in controlled corporation	SPAC Shares	9,315,000 (L)	9.31%	7.45%
		Successor Shares <sup>(12)</sup>	2,328,750 (L)	2.33%	1.86%

# DIRECTORS' REPORT

Notes:

1. The letter "L" denotes the person's long position in the Shares.
2. HK Acquisition (BVI) is owned as to 51% by Extra Shine. By virtue of the SFO, Extra Shine is deemed to be interested in the Shares in which HK Acquisition (BVI) is interested.
3. HK Acquisition (BVI) holds 31,400,000 Promoter Warrants, which entitle the holder to receive a maximum of 15,700,000 Successor Shares upon exercise on a cashless basis.
4. Pursuant to the shareholders' agreement dated 21 June 2022 between, among others, Extra Shine, Pride Vision and Max Giant in relation to HK Acquisition (BVI), Pride Vision is entitled to exercise the voting rights attaching to the 8,004,000 Promoter Shares which HK Acquisition (BVI) holds on its behalf.
5. Pursuant to the shareholders' agreement dated 21 June 2022 between, among others, Extra Shine, Pride Vision and Max Giant in relation to HK Acquisition (BVI), Pride Vision is entitled to exercise the voting rights attaching to the 10,048,000 Promoter Warrants which HK Acquisition (BVI) holds on its behalf and which entitle the holder to receive a maximum of 5,024,000 Successor Shares upon exercise on a cashless basis.
6. Pursuant to the shareholders' agreement dated 21 June 2022 between, among others, Extra Shine, Pride Vision and Max Giant in relation to HK Acquisition (BVI), Max Giant is entitled to exercise the voting rights attaching to the 4,252,125 Promoter Shares which HK Acquisition (BVI) holds on its behalf.
7. Pursuant to the shareholders' agreement dated 21 June 2022 between, among others, Extra Shine, Pride Vision and Max Giant in relation to HK Acquisition (BVI), Max Giant is entitled to exercise the voting rights attaching to the 5,338,000 Promoter Warrants which HK Acquisition (BVI) holds on its behalf and which entitle the holder to receive a maximum of 2,669,000 Successor Shares upon exercise on a cashless basis.
8. Antong Road Limited holds 23,517,500 SPAC Warrants, which entitles the holder to receive a maximum of 11,758,750 Successor Shares upon exercise on a cashless basis.
9. Antong Road Limited is wholly owned by Argyle Street Management Limited, which is wholly owned by Argyle Street Management Holdings Limited. Argyle Street Management Holdings Limited is in turn owned as to 50.13% by Mr. Chan Kin. Accordingly, by virtue of the SFO, each of Argyle Street Management Limited, Argyle Street Management Holdings Limited and Mr. Chan Kin is deemed to be interested in the Shares in which Antong Road Limited is interested.
10. Yue Xiu SP holds 3,910,000 SPAC Warrants, which entitles the holder to receive a maximum of 1,955,000 Successor Shares upon exercise on a cashless basis.
11. Yue Xiu SP is wholly owned by Yue Xiu Asset Management Limited. By virtue of the SFO, Yue Xiu Asset Management Limited is deemed to be interested in the Shares in which Yue Xiu Asset Management Limited is interested.
12. Optimal Success Investments Limited holds 4,657,500 SPAC Warrants, which entitles the holder to receive a maximum of 2,328,750 Successor Shares upon exercise on a cashless basis.
13. Optimal Success Investments Limited is wholly owned by Fortuna SPAC Fund SP3. By virtue of the SFO, Fortuna SPAC Fund SP3 is deemed to be interested in the Shares in which Optimal Success Investments Limited is interested.

Save as disclosed above, as of 31 December 2023, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares which would need to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

## **DIRECTORS' REPORT**

### **ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES**

Pursuant to the Promoter Warrants Subscription Agreement, 31,400,000 Promoter Warrants were subscribed by the Promoters through HK Acquisition (BVI) upon Listing. The Promoter Warrants are held by HK Acquisition (BVI), which is owned as to 51% by Extra Shine (wholly owned by Dr. Chan Tak Lam Norman), 32% by Pride Vision (wholly owned by Ms. Tsang King Suen Katherine) and 17% by Max Giant (wholly owned by Dr. Wong Shue Ngar Sheila), on behalf of the Promoters in proportion to their shareholding in HK Acquisition (BVI). Each whole Promoter Warrant shall be exercisable for one Successor Share at the exercise price of HK\$11.50 per Successor Share, such exercise to be conducted on a cashless basis only and subject to adjustments.

In addition, pursuant to the terms of the SPAC Offering, subject to the approval by the Shareholders and the compliance with the Listing Rules, the Promoters may receive Earn-out Shares after the completion of the De-SPAC Transaction, up to such number of additional Successor Shares that will not exceed 8% of the total number of Shares in issue as of the Listing Date; provided that the aggregate number of Successor Shares that the Promoters hold (or are entitled to receive upon conversion of the Promoter Shares) and the Earn-out Shares, will not exceed 28% of the total number of Shares in issue as of the Listing Date. The Earn-out Right, if approved, will only be triggered if the volume weighted average price of the Successor Shares equals or exceeds HK\$15.00 per Successor Share for any 20 trading days within any 30-trading day period commencing six months after the completion of the De-SPAC Transaction.

The Earn-out Right is subject to approval by ordinary resolution of the Shareholders at the general meeting convened to approve the De-SPAC Transaction, on which the Promoters and their close associates must abstain from voting. The material terms of the Earn-out Right as agreed between the parties to the De-SPAC Transaction (which, depending on the terms proposed by the Company and approved by the Shareholders, may be different from the terms stated above). No instrument representing the Earn-out Right will be issued which will entitle its holder to any other rights such as voting and dividend rights. If the Company fails to complete the De-SPAC Transaction within 36 months from the Listing Date (or such other extension period approved by the Shareholders and the Stock Exchange), the Earn-out Right will be cancelled and become void.

Save as disclosed above, at no time during the Reporting Period were there arrangements to which the Company was a party enabling the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### **PERMITTED INDEMNITY PROVISION**

The Company has maintained liability insurance for the Directors and senior management to protect them from any legal liability to any third party arising from corporate activities. The permitted indemnity provision was in force during the Reporting Period and remained in force as of the date of this annual report.

### **MANAGEMENT CONTRACTS**

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

### **DONATIONS**

During the Reporting Period, the Group did not make any charitable donations.

### **MAJOR CUSTOMERS AND SUPPLIERS**

During the Reporting Period, the Company did not have any major customers or suppliers.

## **DIRECTORS' REPORT**

### **CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE**

The Company did not enter into any significant contracts with the controlling shareholders of the Company.

### **RELATED PARTY TRANSACTIONS**

Details of the related party transactions entered into by the Company during the Reporting Period are set out in Note 18 to the financial statements. Save for the administrative services fee paid to a Promoter which is fully exempt from the reporting, annual review, announcement and independent shareholders' approval requirements, none of the other related party transactions set out in the note above fall within the definition of "connected transaction" or "continuing connected transaction" under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules.

### **MATERIAL LITIGATION**

As of 31 December 2023, the Directors were not aware of any litigations or claims of material importance pending or threatened against the Company.

### **REVIEW OF ANNUAL RESULTS**

The Board has established the Audit Committee with written terms of reference in compliance with the Corporate Governance Code. The terms of reference of the Audit Committee have been uploaded to the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.hkacquisition.com](http://www.hkacquisition.com)).

The primary duties of the Audit Committee are to review and monitor the financial reporting, risk management and internal control systems of the Company, and assist the Board to fulfill its responsibility over the audit. The Audit Committee currently consists of three members, namely Mr. Wong See Ho, Mr. Hui Chiu Chung and Mr. Zhang Xiaowei, each of whom is an independent non-executive Director. The chairman of the Audit Committee is Mr. Wong See Ho, who has over 40 years of professional accountancy and managerial experience in the transport and logistics industry. He possesses appropriate professional qualifications and has been a fellow member of the HKICPA since July 1982 and a chartered fellow of The Chartered Institute of Logistics and Transport since August 2011.

The Audit Committee has reviewed the annual results of the Company for the Reporting Period and considers that the annual results are in compliance the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

### **AUDITOR**

There has been no change in the auditor of the Company since the Listing Date. The financial statements for the Reporting Period have been audited by the auditor of the Company, KPMG, which will be subject to nomination for re-appointment at the forthcoming annual general meeting of the Company.

### **PUBLIC FLOAT**

Based on the information that is publicly available and to the knowledge of the Directors, as of the date of this annual report, the Company has maintained sufficient public float in compliance with the open market requirements prescribed by Chapter 8 and Rule 18B.05 of the Listing Rules.

# DIRECTORS' REPORT

## RELATIONSHIP WITH STAKEHOLDERS

Taking into consideration the nature of the Company's purpose, the Company considers its main stakeholders prior to the De-SPAC Transaction to be the Company's Shareholders and potential investors. As part of its stakeholder engagement, the Company has adopted a shareholders' communication policy which aims at maintaining on-going dialogue with its Shareholders and the investment community and ensuring effective and timely dissemination of information. Please refer to the section headed "Corporate Governance Report — Investor Relations — Shareholders' Communication Policy" in this annual report for further details.

## PENSION SCHEME

As the Company had no full-time employee during the Reporting Period, the Company was yet to have any pension scheme.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Company will publish separately an Environmental, Social and Governance Report on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.hkacquisition.com](http://www.hkacquisition.com)) in accordance with the Environmental, Social and Governance Reporting Guide as specified in Appendix 27 (which has been renumbered to Appendix C2 with effect from 31 December 2023) to the Listing Rules, covering the environmental and social policies and performance of the Company during the Reporting Period.

## SUMMARY OF FINANCIAL INFORMATION

A summary of the published results and the assets and liabilities of the Company for the period from 26 January 2022 (date of incorporation) to 31 December 2022 and the year ended 31 December 2023 is set out on pages 81 to 82 of this annual report.

## EVENTS AFTER THE REPORTING PERIOD

The Company did not have any material subsequent events after the Reporting Period and up to the date of this annual report.

By order of the Board

**HK Acquisition Corporation**

**CHAN Tak Lam Norman**

*Chairman of the Board and Executive Director*

Hong Kong, 28 February 2024

# INDEPENDENT AUDITOR'S REPORT



To the shareholders of  
**HK Acquisition Corporation**

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

## OPINION

We have audited the financial statements of HK Acquisition Corporation (the “**Company**”) set out on pages 51 to 80, which comprise the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023 and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSS**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) 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**”) together with any ethical requirements that are relevant to our audit of the financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## EMPHASIS OF MATTER

We draw attention to note 1 to the financial statements, which describes the purpose and design of the Company and the consequences if the Company fails to announce and complete an acquisition within the specified timeframes. Our opinion is not modified in respect of this matter.

## KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTER (Continued)

Valuation of SPAC Warrants	
Refer to note 14 to the financial statements and the accounting policies in note 2(k).	
The Key Audit Matter	How the matter was addressed in our audit
<p>On 15 August 2022, the Company was listed on the SPAC-segment of the Stock Exchange of Hong Kong Limited (the "<b>Listing</b>"). Upon the Listing, the Company raised gross proceeds of HK\$1,000.5 million by offering 100,050,000 Class A ordinary shares (the "<b>SPAC Shares</b>") and 50,025,000 warrants (the "<b>SPAC Warrants</b>").</p> <p>SPAC Warrants issued on the listing date are accounted for as derivative liabilities that are measured at fair value through profit or loss.</p> <p>The fair value of SPAC Warrants was assessed by the board of directors based on valuations prepared by qualified external valuer.</p> <p>The valuation of SPAC Warrants is complex and involves a significant degree of judgement and estimation, particularly in determining appropriate expected volatility and risk-free interest rate.</p> <p>We identified valuation of SPAC Warrants as a key audit matter because of the significance of SPAC Warrants to the Company's financial statements and because of the significant degree of judgement and estimation involved in assessing the fair value.</p>	<p>Our audit procedures to assess the valuation of SPAC Warrants included the following:</p> <ul style="list-style-type: none"> <li>• assessing the design and implementation of key internal controls over the valuation of SPAC Warrants;</li> <li>• reading the instrument governing the terms of the SPAC Warrants issued to understand the relevant terms and comparing the information used in the valuation of SPAC Warrants with the terms of the instrument to evaluate the accuracy of the information used in the valuation;</li> <li>• assessing the external valuer's qualifications, experience, expertise and objectivity;</li> <li>• with the assistance of our internal valuation specialists, assessing the appropriateness of the valuation methodology adopted by management and the external valuer with reference to the requirements of the prevailing accounting standard, challenging the reasonableness of the key assumptions adopted in the valuation, including expected volatility and risk-free interest rate, by comparing with available market data or other publicly available information;</li> <li>• with the assistance of our internal valuation specialists, performing an independent valuation of SPAC Warrants and comparing the valuation recorded by the Company; and</li> <li>• assessing the disclosures in the financial statements with reference to the requirements of the prevailing accounting standard.</li> </ul>



# **INDEPENDENT AUDITOR'S REPORT**

## **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than 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 the 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 THE DIRECTORS FOR THE FINANCIAL STATEMENTS**

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine 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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Company's financial reporting process.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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 to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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.

# INDEPENDENT AUDITOR'S REPORT

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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.
- 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee 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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

# INDEPENDENT AUDITOR'S REPORT

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and is therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chu Ngar Yee.

### **KPMG**

*Certified Public Accountants*

8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

28 February 2024

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023  
(Expressed in Hong Kong dollars)

	Note	Year ended 31 December 2023 HK\$	Period from 26 January 2022 (date of incorporation) to 31 December 2022 HK\$
<b>Revenue</b>	4	—	—
Interest income		<b>47,568,051</b>	2,817,711
Listing expenses		—	(14,657,636)
Equity-settled share-based payment expenses	18(b)	<b>(79,164,484)</b>	(100,614,303)
Other operating expenses	5	<b>(6,528,825)</b>	(3,414,608)
<b>Loss from operations</b>		<b>(38,125,258)</b>	(115,868,836)
Fair value change of deferred underwriting commissions payable	13	<b>(9,984,759)</b>	(685,913)
Changes in the carrying amount of redemption liabilities arising from the SPAC Shares	14(a)	—	(55,694,586)
Fair value change of SPAC Warrants	14(b)	<b>1,845,923</b>	(2,976,488)
<b>Loss before taxation</b>		<b>(46,264,094)</b>	(175,225,823)
Income tax	6	—	—
<b>Loss and total comprehensive income for the year/period</b>		<b>(46,264,094)</b>	(175,225,823)
<b>Loss per share</b>	9		
Basic and diluted		<b>(1.85)</b>	(12.37)

The notes on pages 56 to 80 form part of these financial statements.

# STATEMENT OF FINANCIAL POSITION

At 31 December 2023

(Expressed in Hong Kong dollars)

	Note	As at 31 December 2023 HK\$	As at 31 December 2022 HK\$
<b>Assets</b>			
Cash and cash equivalents	10	27,859,987	5,047,637
Interest receivables		2,059,150	2,816,477
Prepayments		904,236	830,640
Property, plant and equipment		30,814	22,857
Restricted bank balances	11	1,000,500,000	1,000,500,000
<b>Total assets</b>		<b>1,031,354,187</b>	1,009,217,611
<b>Liabilities</b>			
Other payables and accruals	12	504,250	535,500
Deferred underwriting commissions payable	13	39,528,001	48,414,642
Redemption liabilities arising from the SPAC Shares	14(a)	1,000,500,000	1,000,500,000
SPAC Warrants	14(b)	144,312,120	146,158,043
<b>Total liabilities</b>		<b>1,184,844,371</b>	1,195,608,185
<b>NET LIABILITIES</b>		<b>(153,490,184)</b>	(186,390,574)
<b>CAPITAL AND RESERVES</b>			
Share capital	16(a)	2,501	2,501
Reserves		(153,492,685)	(186,393,075)
<b>NET DEFICIT</b>		<b>(153,490,184)</b>	(186,390,574)

Approved and authorised for issue by the board of directors on 28 February 2024.

Dr. Chan Tak Lam Norman	)	
	)	
	)	Directors
Ms. Tsang King Suen Katherine	)	
	)	

The notes on pages 56 to 80 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023  
(Expressed in Hong Kong dollars)

	Note	Attributable to the equity shareholders of the Company				Total HK\$
		Share capital HK\$	Other reserve HK\$	Capital reserve HK\$	Accumulated losses HK\$	
<b>Balance at 26 January 2022 (date of incorporation)</b>						
<b>Changes in equity for the period:</b>						
Loss and total comprehensive income for the period		—	—	—	(175,225,823)	(175,225,823)
Issuance of Promoter Shares to the Promoter Company	16(a)	2,501	—	—	—	2,501
Issuance of SPAC Shares	14(a)	—	(143,181,555)	—	—	(143,181,555)
Equity-settled share-based payment	18(b)	—	—	100,614,303	—	100,614,303
Proceeds from issuance of Promoter Warrants to the Promoter Company	15	—	—	31,400,000	—	31,400,000
<b>Balance at 31 December 2022 and 1 January 2023</b>		<b>2,501</b>	<b>(143,181,555)</b>	<b>132,014,303</b>	<b>(175,225,823)</b>	<b>(186,390,574)</b>
<b>Changes in equity for the year:</b>						
Loss and total comprehensive income for the year		—	—	—	(46,264,094)	(46,264,094)
Equity-settled share-based payment	18(b)	—	—	79,164,484	—	79,164,484
<b>Balance at 31 December 2023</b>		<b>2,501</b>	<b>(143,181,555)</b>	<b>211,178,787</b>	<b>(221,489,917)</b>	<b>(153,490,184)</b>

The notes on pages 56 to 80 form part of these financial statements.

# CASH FLOW STATEMENT

For the year ended 31 December 2023  
(Expressed in Hong Kong dollars)

		Year ended 31 December 2023 HK\$	Period from 26 January 2022 (date of incorporation) to 31 December 2022 HK\$
	Note		
<b>Operating activities</b>			
Loss before taxation		<b>(46,264,094)</b>	(175,225,823)
Adjustments for:			
Depreciation	5	<b>7,943</b>	959
Interest income		<b>(47,568,051)</b>	(2,817,711)
Deferred underwriting commissions		<b>—</b>	9,545,746
Equity-settled share-based payment expenses	18(b)	<b>79,164,484</b>	100,614,303
Fair value change of deferred underwriting commissions payable	13	<b>9,984,759</b>	685,913
Changes in the carrying amount of redemption liabilities arising from the SPAC Shares	14(a)	<b>—</b>	55,694,586
Fair value change of SPAC Warrants	14(b)	<b>(1,845,923)</b>	2,976,488
Changes in working capital			
Increase in prepayments		<b>(73,596)</b>	(830,640)
(Decrease)/increase in other payables and accruals		<b>(31,250)</b>	535,500
Net cash used in operating activities		<b>(6,625,728)</b>	(8,820,679)
<b>Investing activities</b>			
Increase in restricted bank balances		<b>—</b>	(1,000,500,000)
Payment of deferred underwriting commissions		<b>(18,871,400)</b>	—
Payment for the purchase of property, plant and equipment		<b>(15,900)</b>	(23,816)
Interest received		<b>48,325,378</b>	1,234
Net cash generated from/(used in) investing activities		<b>29,438,078</b>	(1,000,522,582)

## CASH FLOW STATEMENT

For the year ended 31 December 2023  
(Expressed in Hong Kong dollars)

	Note	Year ended 31 December 2023 HK\$	Period from 26 January 2022 (date of incorporation) to 31 December 2022 HK\$
<b>Financing activities</b>			
Payments of listing expenses		—	(17,511,603)
Proceeds from the issuance of SPAC Shares and SPAC Warrants		—	1,000,500,000
Proceeds from Promoter Shares issued		—	2,501
Proceeds from Promoter Warrants issued		—	31,400,000
<b>Net cash generated from financing activities</b>		—	1,014,390,898
<b>Net increase in cash and cash equivalents</b>		<b>22,812,350</b>	5,047,637
<b>Cash and cash equivalents at 1 January 2023/ 26 January 2022 (date of incorporation)</b>		<b>5,047,637</b>	—
<b>Cash and cash equivalents at the end of the period</b>	10	<b>27,859,987</b>	5,047,637

### NON-CASH TRANSACTION

As at 31 December 2023, the Company had deferred underwriting commissions payable of HK\$39,528,001 (2022: HK\$48,414,642) (see note 13) which had no cash flow impact.

The notes on pages 56 to 80 form part of these financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 1 GENERAL INFORMATION

HK Acquisition Corporation (the “**Company**”) was incorporated in the Cayman Islands on 26 January 2022. The address of the Company’s registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The memorandum and articles of association authorises the issuance of Class A ordinary shares (the “**SPAC Shares**”) and Class B ordinary shares (the “**Promoter Shares**”). The Promoter Shares have been issued prior to the initial public offering (the “**SPAC Offering**”). On 15 August 2022 (the “**Listing Date**”), the Company completed its SPAC Offering and issued 100,050,000 SPAC Shares and 50,025,000 warrants (the “**SPAC Warrants**”) at an offering price of HK\$10.00 for one SPAC Share and ½ SPAC Warrant. Simultaneously, the Company issued 31,400,000 warrants (the “**Promoter Warrants**”) in a private placement at a price of HK\$1.00 per Promoter Warrant.

The Company was incorporated for the purpose of acquiring a suitable target that results in the listing of a successor company (referred to as a “**De-SPAC transaction**”) within the time limits required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). In particular, the Company is required to announce the terms of the De-SPAC transaction within 24 months and complete the De-SPAC transaction within 36 months after the SPAC Offering (the “**De-SPAC Deadline**”). If the Company does not announce and complete a De-SPAC transaction by the De-SPAC Deadline, the Company would: (i) cease all operations except for the purpose of winding up, (ii) suspend the trading of the SPAC Shares and the SPAC Warrants, (iii) as promptly as reasonably possible but no more than one month after the date that trading in the SPAC Shares is suspended, redeem the SPAC Shares in cash which would completely extinguish the rights of the holders of the SPAC Shares as shareholders (including the right to receive further liquidation distributions, if any), and (iv) as promptly as reasonably possible following such redemption, subject to the approval of the remaining shareholders and the board of directors, liquidate and dissolve, subject in each case to the Company’s obligations under Cayman Islands law to provide for claims of creditors and the other requirements of applicable laws.

The Company had not carried on any business since the date of its incorporation and is not expected to generate any operating revenue other than interest income until the completion of the De-SPAC transaction, at the earliest. All activities for the year ended 31 December 2023 were related to identifying an appropriate target for the De-SPAC transaction.

The Company’s promoters are Dr. Chan Tak Lam Norman, Ms. Tsang King Suen Katherine and Max Giant Limited (together, the “**Promoters**”) who, respectively, holds 51%, 32% and 17% of Hong Kong Acquisition Company Limited (the “**Promoter Company**”). The Promoter Company was incorporated in the British Virgin Islands with limited liability. All the Promoter Shares and the Promoter Warrants are held by the Promoter Company on behalf of the Promoters.

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 2 MATERIAL ACCOUNTING POLICIES

### (a) Statement of compliance

These financial statements have 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 and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Listing Rules. Material accounting policies adopted by the Company are disclosed below.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Company. None of these developments have had a material effect on how the Company’s results and financial position for the current period have been prepared or presented. The Company has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### (b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following liabilities are stated at their fair value as explained in the accounting policies set out below:

- deferred underwriting commissions payable (see note 2(g)(ii)); and
- SPAC Warrants (see note 2(k)).

Notwithstanding the net liabilities of HK\$153,490,184, which is mainly due to financial liabilities representing the SPAC Warrants of HK\$144,312,120 and deferred underwriting commissions payable of HK\$39,528,001, as at 31 December 2023, the financial statements have been prepared on a going concern basis based on the following:

- the Promoter Company has committed to provide financial assistance to the Company by way of a loan facility of HK\$10.0 million;
- each SPAC Warrant will be exercised by the holders on a cashless basis upon completion of a De-SPAC transaction (see note 14(b)); and
- the directors of the Company have reviewed the Company’s cash flow projections, and are of the opinion that the Company will have sufficient working capital to meet its liabilities and obligations as and when they fall due and to sustain its operations for the next twelve months from the end of the reporting period.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated 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 judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 2 MATERIAL ACCOUNTING POLICIES (Continued)

### (b) Basis of preparation of the financial statements (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

### (c) Property, plant and equipment

Property, plant and equipment, are stated at cost less accumulated depreciation and any accumulated impairment losses (see note 2(d)(ii)).

Cost includes expenditures that are directly attributable to the acquisition of an asset.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment less their estimated residual values, if any, using the straight line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives for the current and comparative periods are as follows:

— Furniture and fixtures	5 years
— Computer equipment	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### (d) Credit losses and impairment of assets

#### (i) Credit losses from financial instruments

The Company recognises a loss allowance for expected credit losses (“ECLs”) on the financial assets measured at amortised cost (including cash and cash equivalents, interest receivables and restricted bank balances).

#### *Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 2 MATERIAL ACCOUNTING POLICIES (Continued)

### (d) Credit losses and impairment of assets (Continued)

#### (i) Credit losses from financial instruments (Continued)

##### *Measurement of ECLs (Continued)*

The expected cash shortfalls are discounted using the following rates if the effect is material:

- fixed-rate financial assets and other receivables: effective interest rate determined at initial recognition or an approximation thereof; and
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and
- lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECL model applies.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

- financial instruments that are determined to have low credit risk at the reporting date; and
- other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

##### *Significant increases in credit risk*

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 2 MATERIAL ACCOUNTING POLICIES (Continued)

### (d) Credit losses and impairment of assets (Continued)

#### (i) *Credit losses from financial instruments (Continued)*

##### *Significant increases in credit risk (Continued)*

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Company.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 90 days past due.

The Company considers a financial instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Company recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

##### *Credit-impaired financial assets*

At each reporting date, the Company assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 2 MATERIAL ACCOUNTING POLICIES (Continued)

### (d) Credit losses and impairment of assets (Continued)

#### (i) Credit losses from financial instruments (Continued)

*Credit-impaired financial assets (Continued)*

- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

#### *Write-off policy*

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Company become 90 days past due or when the Company otherwise determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

#### (ii) Impairment of other assets

At each reporting date, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU"s).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of the assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 2 MATERIAL ACCOUNTING POLICIES (Continued)

### (e) Receivables

A receivable is recognised when the Company has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Receivables that do not contain a significant financing component are initially measured at their transaction price. All receivables are subsequently stated at amortised cost (see note 2(d)(i)).

### (f) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents exclude restricted bank balances described in note 11. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in note 2(d)(i).

### (g) Payables and deferred underwriting commissions payable

#### (i) Payables

Payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

#### (ii) Deferred underwriting commissions payable

The deferred underwriting commissions payable represents the Company's obligation to pay cash to the underwriters of the SPAC Offering. It is recognised as a financial liability measured at fair value, which takes into account the probability and timing of a De-SPAC transaction. Subsequent changes in fair value of the deferred underwriting commissions payable is recognised in profit or loss.

### (h) Loan facility

The Promoter Company has committed to provide the Company with an interest-free loan facility to meet the Company's working capital needs or to finance transaction costs from time to time before the completion of a De-SPAC transaction. A financial liability will be recognised when a drawdown is made. The financial liability will be stated at amortised cost.

### (i) Promoter Shares

Promoter Shares are equity instruments. The amount recognised in equity is the proceeds received net of transaction costs.

### (j) SPAC Shares

SPAC Shares issued on the Listing Date give rise to financial liabilities since they are redeemable automatically or at the option of holders in case of occurrence of triggering events that are beyond the control of the Company and the holders. The financial liabilities are measured at the redemption amount, which is HK\$10.00 per SPAC Share.

Transaction costs for the financial liabilities are included in the initial carrying amount of the financial liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 2 MATERIAL ACCOUNTING POLICIES (Continued)

### (k) SPAC Warrants

With respect to the SPAC Warrants issued on the Listing Date, the Company accounts for these warrants as derivative liabilities that are measured at fair value through profit or loss, since the warrants would not be settled only by exchanging a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments.

Transaction costs for the SPAC warrants are expensed as incurred.

### (l) Share-based payments

In accordance with the memorandum and articles of association, the Promoter Shares contain a conversion feature (the "**Conversion Right**") such that they are convertible into shares of a successor company (i.e. "**Successor Share**") automatically upon the closing of the De-SPAC transaction at such a ratio that the number of Successor Shares issuable upon conversion of all Promoter Shares will be equal to, on an as-converted basis and in the aggregate, 20% of the sum of all SPAC Shares and Promoter Shares in issue as at the Listing Date.

The Company accounted for the Conversion Right in the Promoter Shares and the Promoter Warrants granted on the Listing Date (collectively the "**Grants**") as equity-settled share-based payment, with the completion of a De-SPAC transaction identified as the non-market performance condition.

The grant-date fair value of the Grants, as measured at the Listing Date using the Monte Carlo simulation model and excluding the impact of the vesting condition, would be recognised 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 spread over the vesting period, taking into account the probability that the related awards would vest. The service in relation to the share-based payment (i.e. identifying an appropriate target for the De-SPAC transaction and completing the De-SPAC transaction) commenced on the Listing Date.

During the vesting period, the number of awards that is expected to vest would be reviewed. Any resulting adjustment to the cumulative fair value recognised in prior period/year would be charged/credited to the profit or loss for the period/year of the review with a corresponding adjustment to the reserve. On vesting date, the amount recognised as the share-based payment cost is adjusted to reflect the actual number of awards that vest (with a corresponding adjustment to the capital reserve). The equity amount would recognised in the reserve until either the related ordinary shares are converted or issued, or the awards are forfeited (when it is released directly to accumulated loss).



# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 2 MATERIAL ACCOUNTING POLICIES (Continued)

### (m) Interest income

Interest income is recognised using the effective interest method. The “effective interest rate” is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

### (n) Related parties

- (a) A person, or a close member of that person’s family, is related to the Company if that person:
- (i) has control or joint control over the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Company or the Company’s parent.
- (b) An entity is related to the Company if any of the following conditions applies:
- (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) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One 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.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (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).

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 2 MATERIAL ACCOUNTING POLICIES (Continued)

### (n) Related parties (Continued)

(b) (continued)

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the Company's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

### (o) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Company's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Company's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

## 3 ACCOUNTING JUDGEMENTS AND ESTIMATES

### (a) Critical accounting judgements in applying the Company's accounting policies

In the process of applying the Company's accounting policies, management applies certain accounting judgement when assessing whether one or more transactions entered into with the Promoters fall within the scope of HKFRS 2, *Share-based payment*, under which the Company receives services from the Promoters in exchange for consideration in the form of equity instruments, or cash, or other assets for amounts that are based on the price (or value) of Company's equity instruments.

As set out in note 2(l), the Company has accounted for the Conversion Right in the Promoter Shares and the Promoter Warrants granted on the Listing Date as equity-settled share-based payment, with the completion of a De-SPAC transaction identified as the vesting condition.

In making this judgement, the Company has taken into account among others the commercial rationale for the transactions, that the Promoters provide significant support to the Company in its activities, and that the related instruments include terms that make them valuable only upon the completion of a De-SPAC transaction.

### (b) Sources of estimation uncertainty

Notes 14, 15 and 17 contain information about the assumptions and their risk factors relating to (i) valuation of the SPAC Warrants, (ii) fair value of the Conversion Right in the Promoter Shares and the Promoter Warrants, and (iii) fair value of the deferred underwriting commissions payable.

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 4 REVENUE AND SEGMENT REPORTING

The principal activity of the Company is to acquire a suitable target for the completion of De-SPAC transaction within the time limits. No revenue was derived from this activity during the current year and prior period.

The Company's business activity is regularly reviewed and evaluated by the chief operating decision-makers. As a result of this evaluation, the directors of the Company consider that the Company's operations are operated and managed as a single reportable segment. Since this is the only reportable operating segment of the Company, no further operating segment analysis thereof is presented.

## 5 OTHER OPERATING EXPENSES

	Year ended 31 December 2023 HK\$	Period from 26 January 2022 (date of incorporation) to 31 December 2022 HK\$
Auditors' remuneration		
— audit services	350,000	350,000
— other services	180,000	180,000
Legal and professional fees	2,417,067	485,671
Insurance expenses	813,672	360,736
Company secretarial fee	201,027	282,371
Public relation expenses	52,500	277,500
Entertainment expenses	568,960	276,053
Incorporation expenses	—	215,132
Directors' emoluments (note 7)	540,000	202,500
Administrative services fee paid to a Promoter (note 18(b))	785,000	181,808
Bank charges	4,820	136,503
Depreciation	7,943	959
Others	607,836	465,375
	<b>6,528,825</b>	<b>3,414,608</b>

## 6 INCOME TAX

No income tax has been recognised as the Company is not currently subject to income tax in the Cayman Islands and in opinion of the directors, the Company has no assessable profits in any other jurisdictions during current year and prior period.

## NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

### 7 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	Year ended 31 December 2023				
	Directors' fees HK\$	Salaries, allowances and benefits in kind HK\$	Retirement scheme contributions HK\$	Discretionary bonus HK\$	Total HK\$
<b>Executive Directors</b>					
Dr. Chan Tak Lam Norman	—	—	—	—	—
Ms. Tsang King Suen Katherine	—	—	—	—	—
Dr. Wong Shue Ngar Sheila	—	—	—	—	—
Mr. Tsang Hing Shun Thomas	—	—	—	—	—
<b>Independent non-Executive Directors ("INED")</b>					
Mr. Hui Chiu Chung	180,000	—	—	—	180,000
Mr. Wong See Ho	180,000	—	—	—	180,000
Prof. Tang Wai King Grace	—	—	—	—	—
Mr. Zhang Xiaowei	180,000	—	—	—	180,000
	<b>540,000</b>	—	—	—	<b>540,000</b>

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 7 DIRECTORS' EMOLUMENTS (Continued)

	Period from 26 January 2022 (date of incorporation) to 31 December 2022				
	Directors' fees HK\$	Salaries, allowances and benefits in kind HK\$	Retirement scheme contributions HK\$	Discretionary bonus HK\$	Total HK\$
<b>Executive Directors</b>					
Dr. Chan Tak Lam Norman (appointed on 21 February 2022)	—	—	—	—	—
Ms. Tsang King Suen Katherine (appointed on 21 February 2022)	—	—	—	—	—
Dr. Wong Shue Ngar Sheila (appointed on 21 February 2022)	—	—	—	—	—
Mr. Tsang Hing Shun Thomas (appointed on 28 March 2022)	—	—	—	—	—
<b>INED</b>					
Mr. Hui Chiu Chung (appointed on 18 May 2022)	67,500	—	—	—	67,500
Mr. Wong See Ho (appointed on 18 May 2022)	67,500	—	—	—	67,500
Prof. Tang Wai King Grace (appointed on 18 May 2022)	—	—	—	—	—
Mr. Zhang Xiaowei (appointed on 18 May 2022)	67,500	—	—	—	67,500
	202,500	—	—	—	202,500

Prof. Tang Wai King Grace has agreed to revise her emoluments to zero during her service period with the Company.

There was no payment to any of the directors or the individuals with highest emoluments (as disclosed in note 8) as an inducement to join or upon joining the Company or as compensation for loss of any office during the year ended 31 December 2023 and period from 26 January 2022 (date of incorporation) to 31 December 2022.

## 8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

The Company has four INEDs for the year ended 31 December 2023 and period from 26 January 2022 (date of incorporation) to 31 December 2022. Of the three individuals with the highest emoluments, all are directors whose emoluments are disclosed in note 7.

## NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

### 9 LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to holders of the Promoter Shares (the “Promoter Shareholders”) divided by the weighted average number of Promoter Shares, calculated as follows:

#### (i) Loss attributable to Promoter Shareholders of the Company

	Year ended 31 December 2023 HK\$	Period from 26 January 2022 (date of incorporation) to 31 December 2022 HK\$
Loss attributable to Promoter Shareholders of the Company	<b>46,264,094</b>	175,225,823

#### (ii) Weighted average number of shares

	Year ended 31 December 2023 Number of Promoter Shares	Period from 26 January 2022 (date of incorporation) to 31 December 2022 Number of Promoter Shares
Issued Promoter Shares at 1 January 2023/26 January 2022	<b>25,012,500</b>	—
Effect of Promoter Shares issued	—	14,166,372
Weighted average number of Promoter Shares at the end of the year/period	<b>25,012,500</b>	14,166,372

The calculation of diluted loss per share for the year ended 31 December 2023 and period from 26 January 2022 (date of incorporation) to 31 December 2022 has not included the potential effects of SPAC Shares issued, as they had an anti-dilutive effect on the basic loss per share.

### 10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	2023 HK\$	2022 HK\$
Cash at bank	<b>27,859,987</b>	5,047,637

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 11 RESTRICTED BANK BALANCES

The gross proceeds of HK\$1,000,500,000 from the SPAC Offering are deposited into an escrow account (the “**Escrow Account**”) in accordance with the Listing Rules. The gross proceeds are invested in a bank deposit with interest rate depending on the maturity and the maximum term of 1 year. Except with respect to interest and other income earned on the funds held in the Escrow Account that may be released to pay the Company’s expenses and taxes, if any, the proceeds from the SPAC Offering would not be released from the Escrow Account, except to:

- complete the De-SPAC transaction, in connection with which the funds held in the Escrow Account would be first used to pay amounts due to holders of the SPAC Shares who exercise their redemption rights, before being used to pay all or a portion of the consideration payable to the De-SPAC transaction or owners of the De-SPAC transaction, and to pay other expenses associated with completing the De-SPAC transaction;
- meet the redemption requests of holders of the SPAC Shares in connection with a shareholder vote to modify the timing of the Company’s obligation to announce the De-SPAC transaction within 24 months of the Listing Date or complete the De-SPAC transaction within 36 months of the Listing Date (or, if these time limits are extended pursuant to a vote of the holders of the SPAC Shares and in accordance with the Listing Rules and a De-SPAC transaction is not announced or completed, as applicable, within such extended time limits), or approve the continuation of the Company following (i) a material change in the Promoters or directors under Rule 18B.32 of the Listing Rules or (ii) the departure of Ms. Tsang King Suen Katherine as one of our Promoters; or
- return funds to holders of the SPAC Shares upon the liquidation or winding up of the Company.

## 12 OTHER PAYABLES AND ACCRUALS

The accrual and other payables are expected to be settled within one year or are repayable on demand.

## 13 DEFERRED UNDERWRITING COMMISSIONS PAYABLE

Pursuant to the terms of the underwriting agreement relating to the SPAC Offering and entered into by, among others, the Company, the Promoters and the underwriters of the SPAC Offering (the “**Underwriters**”), the Underwriters will receive (i) an underwriting commission equal to 1.5% of the gross proceeds for the SPAC Offering on the Listing Date, and (ii) a deferred underwriting commission which comprises an amount up to 4.3% of the gross proceeds after the SPAC Offering, payable in instalments, and an amount equal to 3% of the gross proceeds which is earned on completion of the De-SPAC transaction.

The deferred underwriting commissions were recognised as a financial liability under “Deferred underwriting commissions payable” as at 31 December 2023 and 2022. During the year ended 31 December 2023, the fair value change of the deferred underwriting commissions payable was HK\$9,984,759 (period from 26 January 2022 (date of incorporation) to 31 December 2022: HK\$685,913) (see note 17(b)).

## 14 SPAC SHARES AND SPAC WARRANTS

The Company issued 100,050,000 SPAC Shares together with 50,025,000 SPAC Warrants for an aggregate price of HK\$1,000,500,000 on the Listing Date.

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 14 SPAC SHARES AND SPAC WARRANTS (Continued)

### (a) SPAC Shares

The Company has an obligation to redeem the SPAC Shares upon certain events and not all events are within the control of the Company (e.g. a change in the Promoters). Each SPAC Share also entitles the holder to discretionary dividends and distributions which may thereafter be declared, made or paid.

The redemption obligations of the SPAC Shares give rise to financial liabilities, which were accounted in accordance with the accounting policy set out in note 2(j).

The movements of the SPAC Shares are as follows:

	HK\$
<b>Liability component — redemption liabilities</b>	
At 26 January (date of incorporation)	—
Issuance of SPAC Shares	1,000,500,000
Transaction cost attributable to the issuance of SPAC Shares	(55,694,586)
Changes in the carrying amount of the redemption liabilities recognised in profit or loss	55,694,586
<hr/>	
At 31 December 2022, 1 January 2023 and 31 December 2023	1,000,500,000
<hr/>	
<b>Equity component</b>	
At 26 January 2022 (date of incorporation), 31 December 2022, 1 January 2023 and 31 December 2023	143,181,555
<hr/>	

### (b) SPAC Warrants

Each SPAC Warrant gives the holder the right to subscribe for one Successor Share upon completion of a De-SPAC transaction at HK\$11.5 per share when the average closing price of the Successor Share for the 10 trading days immediately prior to the date on which the notice of exercise is received by the registrar (the "**Fair Market Value**") is at least HK\$11.50 per share. Such exercise will be conducted on a cashless basis by the holders surrendering the SPAC Warrants for that number of Successor Shares, subject to adjustment, equal to the product of the number of Successor Shares underlying the SPAC Warrants, multiplied by a quotient equal to the excess of the Fair Market Value of a Successor Share over the exercise price of the warrant divided by the Fair Market Value of the Successor Share. The SPAC Warrants are exercisable 30 days after the completion of the De-SPAC transaction up to the date immediately preceding the fifth anniversary of the date of the completion of the De-SPAC transaction, both days inclusive.

The SPAC Warrant are classified as derivative financial liabilities, which were accounted for in accordance with the accounting policy set out in note 2(k).



## NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

### 14 SPAC SHARES AND SPAC WARRANTS (Continued)

#### (b) SPAC Warrants (Continued)

The movements of the SPAC Warrants are as follows:

	HK\$
At 26 January 2022 (date of incorporation)	—
Issuance of SPAC Warrants	143,181,555
Fair value change of SPAC Warrants recognised in profit or loss — unrealised	2,976,488
At 31 December 2022 and 1 January 2023	146,158,043
Fair value change of SPAC Warrants recognised in profit or loss — unrealised	(1,845,923)
At 31 December 2023	144,312,120

### 15 EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company issued 1 Promoter Share on 26 January 2022 and further issued 25,012,499 Promoter Shares on 22 June 2022 at a price of HK\$0.0001 per share. The Promoter Shares contain the Conversion Right as described in note 2(l). Upon Listing, the Company issued 31,400,000 Promoter Warrants at an aggregate subscription price of HK\$31,400,000. Each Promoter Warrant gives the holder the right to subscribe for one Successor Share at HK\$11.5 per share and is settled net in shares. The Promoter Warrants are exercisable 12 months after the completion of the De-SPAC transaction. The contractual life of the Promoter Shares and the Promoter Warrants is 3 years. The Company accounted for the Promoter Warrants, together with the Conversion Right in the Promoter Shares, as equity-settled share-based payment with the completion of a De-SPAC transaction identified as the non-market performance condition in accordance with the accounting policy set out in note 2(l).

#### (a) The number and weighted average exercise prices of the Promoter Warrants are as follows:

	Weighted average exercise price	Number of Promoter Warrants
At 26 January 2022 (date of incorporation)	N/A	—
Granted during the period	HK\$11.5	31,400,000
Outstanding at 31 December 2022, 1 January 2023 and 31 December 2023	HK\$11.5	31,400,000
Exercisable at the end of the period	N/A	—

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 15 EQUITY SETTLED SHARE-BASED TRANSACTIONS (Continued)

### (a) The number and weighted average exercise prices of the Promoter Warrants are as follows: (Continued)

The Promoter Warrants outstanding at 31 December 2023 had an exercise price of HK\$11.5 (2022: HK\$11.5) and a weighted average remaining contractual life of 1.6 years (2022: 2.6 years).

### (b) Fair value of the Grants and assumptions

The fair value of services received in return for the Grants granted, which includes the Promoter Warrants and the Conversion Rights in the Promoter Shares, is measured by reference to the fair value of the Grants granted. The estimate of the fair value of the Promoter Warrants granted is measured based on a Monte Carlo simulation method. The contractual life of the Promoter Warrants is used as an input into this model. Expectations of early exercise are incorporated into the Monte Carlo simulation method.

2022

#### Fair value of the Promoter Warrants and assumptions

Fair value at measurement date	HK\$2.93
Share price	HK\$10.00
Exercise price	HK\$11.50
Expected volatility	38.53–38.78%
Option life	3 years
Expected dividends	0.00%
Risk-free interest rate	2.54–2.55%

The expected volatility is estimated based on daily return of S&P SmallCap 600 Volatility — Highest Quintile Index. The length of period approximately equals to the expected time to maturity of the Promoter Warrants as of the Listing Date, sourced from Bloomberg. Expected dividends are based on management estimation. Changes in the subjective input assumptions could materially affect the fair value estimate.

The fair value of the Conversion Right in the Promoter Shares was determined based on 20% of the proceeds received from the SPAC Offering, since the Promoter Shares are convertible into Successor Shares automatically upon the closing of the De-SPAC transaction at such a ratio that the number of Successor Shares issuable upon conversion of all Promoter Shares will be equal to, on an as-converted basis and in the aggregate, 20% of the sum of all SPAC Shares and Promoter Shares in issue as at the Listing Date.

The Grants were granted under a non-market performance condition. This condition has not been taken into account in the grant date fair value measurement of the services received.

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 16 CAPITAL, RESERVES AND DIVIDENDS

### (a) Share capital

	No. of shares	Share capital HK\$
<b>Promoter Shares (per value HK\$0.0001 per share), issued and fully paid:</b>		
At 26 January 2022 (date of incorporation)	1	—*
Shares issued on 22 June 2022	25,012,499	2,501
At 31 December 2022, 1 January 2023 and 31 December 2023	25,012,500	2,501

\* The balance represents amount less than HK\$1.

On 26 January 2022 and 22 June 2022, the Company issued 1 Promoter Share and 25,012,499 Promoter Shares to the Promoter Company respectively at an aggregate subscription price of HK\$2,501.

### (b) Dividends

No dividends have been paid or declared by the Company during the year ended 31 December 2023 (period from 26 January 2022 (date of incorporation) to 31 December 2022: HK\$Nil).

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 16 CAPITAL, RESERVES AND DIVIDENDS (Continued)

### (c) Nature and purpose of reserves

#### (i) *Other reserve*

Other reserve comprises the amount allocated to the equity component of the SPAC Shares.

#### (ii) *Capital reserve*

The capital reserve comprises (i) the portion of the grant-date fair value of the Grants granted to the Promoters that has been recognised in accordance with the accounting policy adopted for share-based payments in note 2(l), and (ii) the proceeds from the issuance of the Promoter Warrants to the Promoter Company.

### (d) Capital management

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders return, taking into consideration the future of the Company and capital efficiency, projected operating cash flows and projected capital expenditures.

The Company manages its capital structure, which comprises all components of equity and the gross proceeds from the SPAC Offering (see note 11), and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may issue new shares, new debt financing or the redemption of existing debt.

The Company is not subject to externally imposed capital requirements.

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 17 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to liquidity risk arises in the normal course of the Company's business. The Company's exposure to this risk and the financial risk management policies and practices used by the Company to manage this risk is described below. The Company's exposure to credit, interest rate and currency risks is not significant.

### (a) Liquidity risk

The Company's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term. The Promoter Company has committed to provide an interest-free facility for an amount up to HK\$10,000,000 for the Company to meet its working capital needs or to finance transaction costs from time to time before the completion of any De-SPAC transaction (see note 2(h)). Interest income earned on the funds held in the Escrow Account is also expected to be released to pay the Company's operating expenses (see note 11).

The following tables show the remaining contractual maturities at the end of the reporting period of the Company's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the year) and the earliest date the Company can be required to pay.

	31 December 2023				
	Contractual undiscounted cash outflow				Carrying amount at 31 December 2023 HK\$
	Within 1 year or on demand HK\$	More than 1 year but less than 2 years HK\$	More than 2 years but less than 5 years HK\$	Total HK\$	
Other payables and accruals	504,250	—	—	504,250	504,250
Deferred underwriting commissions payable	41,821,400	11,806,400	—	53,627,800	39,528,001
Redemption liabilities arising from the SPAC Shares	1,000,500,000	—	—	1,000,500,000	1,000,500,000
	<b>1,042,825,650</b>	<b>11,806,400</b>	<b>—</b>	<b>1,054,632,050</b>	<b>1,040,532,251</b>

	31 December 2022				
	Contractual undiscounted cash outflow				Carrying amount at 31 December 2022 HK\$
	Within 1 year or on demand HK\$	More than 1 year but less than 2 years HK\$	More than 2 years but less than 5 years HK\$	Total HK\$	
Other payables and accruals	535,500	—	—	535,500	535,500
Deferred underwriting commissions payable	58,891,400	11,806,400	11,806,400	82,504,200	48,414,642
Redemption liabilities arising from the SPAC Shares	1,000,500,000	—	—	1,000,500,000	1,000,500,000
	<b>1,059,920,900</b>	<b>11,806,400</b>	<b>11,806,400</b>	<b>1,083,539,700</b>	<b>1,049,450,142</b>

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 17 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

### (b) Fair value measurement

#### (i) Financial assets and liabilities measured at fair value

##### Fair value hierarchy

The following table presents the fair value of the Company's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

Level 3 valuations: Fair value measured using significant unobservable inputs

The Chief Operating Officer of the Company works closely with a qualified external valuer to establish the appropriate valuation techniques and inputs in assessing the fair value of the Company's financial instruments, including the deferred underwriting commissions payable and SPAC Warrants, both of which are categorised into Level 3 of the fair value hierarchy. A valuation report with analysis of changes in fair value measurement is prepared by the Chief Operating Officer for each reporting period, and is reviewed and approved by the directors.

	Fair value at 31 December 2023 HK\$	Fair value measurements as at 31 December 2023 categorised into		
		Level 1 HK\$	Level 2 HK\$	Level 3 HK\$
<b>Recurring fair value measurements</b>				
Deferred underwriting commissions payable	39,528,001	—	—	39,528,001
SPAC Warrants	144,312,120	—	—	144,312,120

	Fair value at 31 December 2022 HK\$	Fair value measurements as at 31 December 2022 categorised into		
		Level 1 HK\$	Level 2 HK\$	Level 3 HK\$
<b>Recurring fair value measurements</b>				
Deferred underwriting commissions payable	48,414,642	—	—	48,414,642
SPAC Warrants	146,158,043	—	—	146,158,043

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 17 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

### (b) Fair value measurement (Continued)

#### (i) Financial assets and liabilities measured at fair value (Continued)

##### Fair value hierarchy (Continued)

During the year ended 31 December 2023 and period from 26 January 2022 (date of incorporation) to 31 December 2022, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Company's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

##### Information about Level 3 fair value measurements

###### Deferred underwriting commissions payable

The fair value of the deferred underwriting commissions payable is determined based on the expected payment, which takes into account the probability and timing of a De-SPAC transaction, discounted to present value using a discount rate of 5.9% (period from 26 January 2022 (date of incorporation) to 31 December 2022: 5.6%). It is considered that a De-SPAC transaction is highly probable and is expected to occur in the second half of 2024, based on available industry information and market data.

The fair value measurement was positively correlated to the probability of a De-SPAC transaction. As at 31 December 2023, it is estimated that with all other variables held constant, an increase/decrease in the probability of De-SPAC transaction by 5% would have increased/decreased the Company's loss after tax by HK\$898,014/HK\$898,014 respectively (period from 26 January 2022 (date of incorporation) to 31 December 2022: HK\$462,896/HK\$462,896).

The fair value measurement was negatively correlated to the discount rate. As at 31 December 2023, it is estimated that with all other variables held constant, an increase/decrease in the discount rate by 3% would have decreased/increased the Company's loss after tax by HK\$891,797/HK\$942,992 respectively (period from 26 January 2022 (date of incorporation) to 31 December 2022: HK\$943,061/HK\$993,616).

The movements of the deferred underwriting commissions payable are as follows:

	2023 HK\$	2022 HK\$
At 1 January 2023/26 January 2022 (date of incorporation)	48,414,642	—
Initial recognition of deferred underwriting commissions payable	—	47,728,729
Payment of deferred underwriting commissions during the year	(18,871,400)	—
Fair value change of deferred underwriting commissions payable recognised in profit or loss — unrealised	9,984,759	685,913
At the end of the year/period	39,528,001	48,414,642

# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 17 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

### (b) Fair value measurement (Continued)

#### (i) **Financial assets and liabilities measured at fair value (Continued)**

Information about Level 3 fair value measurements (Continued)

SPAC Warrants

	Valuation techniques	Significant unobservable inputs	Range
SPAC Warrants	Monte Carlo simulation method	Expected volatility	40.81%–41.78% (2022: 39.58%–40.39%)
		Risk-free interest rate	2.92% (2022: 3.64%–3.65%)

The fair value of SPAC Warrants was determined using the Monte Carlo simulation method and the significant unobservable input used in the fair value measurement were expected volatility and risk-free interest rate. The fair value measurement was positively correlated to the expected volatility and risk-free interest rate. As at 31 December 2023, it is estimated that with all other variables held constant, an increase/decrease in the expected volatility by 5% (period from 26 January 2022 (date of incorporation) to 31 December 2022: 5%) and risk-free interest rate by 2% (period from 26 January 2022 (date of incorporation) to 31 December 2022: 3%) would have increased/decreased the Company's loss after tax by HK\$12,421,208/HK\$7,643,820 and HK\$9,354,675/HK\$6,158,078 respectively (period from 26 January 2022 (date of incorporation) to 31 December 2022: HK\$10,075,035/HK\$12,271,133 and HK\$10,360,178/HK\$10,470,233 respectively).

#### (ii) **Fair value of assets and liabilities carried at amounts other than fair value**

All other financial instruments are carried at amounts not materially different from their fair values as at 31 December 2023 and 2022.

## 18 MATERIAL RELATED PARTY TRANSACTIONS

### (a) Key management personnel remuneration

Remuneration for key management personnel of the Company represents amounts paid to the Company's directors as disclosed in note 7.



# NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

## 18 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

### (b) Other significant related party transaction

	Year ended 31 December 2023 HK\$	Period from 26 January 2022 (date of incorporation) to 31 December 2022 HK\$
Equity-settled share-based payment expenses to the Promoters (note 15)	<b>79,164,484</b>	100,614,303
Administrative services fee paid to a Promoter (note)	<b>785,000</b>	181,808

Note: The administrative services fee paid to a Promoter in return for provision of administrative and other operating services at terms mutually agreed.

## 19 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2023

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2023 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Company.

	Effective for accounting periods beginning on or after
Amendments to HKAS 1, <i>Presentation of financial statements: Classification of liabilities as current or non-current</i>	1 January 2024
Amendments to HKAS 1, <i>Presentation of financial statements: Non-current liabilities with covenants</i>	1 January 2024
Amendments to HKFRS 16, <i>Leases: Lease liability in a sale and leaseback</i>	1 January 2024
Amendments to HKAS 7, <i>Statement of cash flows and HKFRS 7, Financial Instruments: Disclosures: Supplier finance arrangements</i>	1 January 2024
Amendments to HKAS 21, <i>The effects of changes in foreign exchange rates: Lack of exchangeability</i>	1 January 2025

The Company is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on financial statements.

# FINANCIAL SUMMARY

	Year ended 31 December 2023 HK\$	Period from 26 January 2022 (date of incorporation) to 31 December 2023 HK\$
<b>Revenue</b>	—	—
Interest income	47,568,051	2,817,711
Listing expenses	—	(14,657,636)
Equity-settled share-based payment expenses	(79,164,484)	(100,614,303)
Other operating expenses	(6,528,825)	(3,414,608)
<b>Loss from operations</b>	(38,125,258)	(115,868,836)
Fair value change of deferred underwriting commissions payable	(9,984,759)	(685,913)
Changes in the carrying amount of redemption liabilities arising from the SPAC Shares	—	(55,694,586)
Fair value change of SPAC Warrants	1,845,923	(2,976,488)
<b>Loss before taxation</b>	(46,264,094)	(175,225,823)
Income tax	—	—
<b>Loss and total comprehensive income for the year/period</b>	(46,264,094)	(175,225,823)
<b>Loss per share</b>		
Basic and diluted	(1.85)	(12.37)
<b>Adjusted profit/(loss)</b> (Note)		
<b>Loss and total comprehensive income for the year/period</b>	(46,264,094)	(175,225,823)
Add:		
Equity-settled share-based payment expenses	79,164,484	100,614,303
Changes in the carrying amount of redemption liabilities arising from the SPAC Shares	—	55,694,586
Listing expenses	—	14,657,636
Fair value change of SPAC Warrants	(1,845,923)	2,976,488
Fair value change of deferred underwriting commissions payable	9,984,759	685,913
<b>Adjusted profit/(loss) for the year/period</b>	41,039,226	(596,897)

Note: Adjusted profit/(loss), a non-HKFRS measure, eliminates the effect of non-cash items or one-time events. The Company believes this measure provides additional information that is useful in gaining a more complete understanding of its operational performance and of the underlying trends of its business.

## FINANCIAL SUMMARY

	As at 31 December 2023 HK\$	As at 31 December 2022 HK\$
<b>ASSETS AND LIABILITIES</b>		
Total assets	<b>1,031,354,187</b>	1,009,217,611
Total liabilities	<b>(1,184,844,371)</b>	(1,195,608,185)
Net deficit	<b>(153,490,184)</b>	(186,390,574)

