

# HASHKEY

## HashKey Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 3887

# GLOBAL OFFERING

Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

J.P.Morgan



國泰海通  
GUOTAI HAITONG

國泰君安國際  
GUOTAI JUNAN INTERNATIONAL

# IMPORTANT

**IMPORTANT:** If you are in any doubt about any of the contents of this Prospectus, you should seek independent professional advice.

# HASHKEY

## HashKey Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

### GLOBAL OFFERING

Number of Offer Shares under the Global Offering	: 240,570,000 Offer Shares (subject to Offer Size Adjustment Option and the Over-allotment Option)
Number of Hong Kong Offer Shares	: 24,057,200 Offer Shares (subject to reallocation and Offer Size Adjustment Option)
Number of International Offer Shares	: 216,512,800 Offer Shares (subject to reallocation, Offer Size Adjustment Option and the Over-allotment Option)
Maximum Offer Price	: HK\$6.95 per Offer Share, plus brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund)
Nominal value	: US\$0.00001 per Share
Stock code	: 3887

*Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers*

**J.P.Morgan**



**國泰海通**  
GUOTAI HAITONG

**國泰君安國際**  
GUOTAI JUNAN INTERNATIONAL

*Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers*



*Joint Bookrunners and Joint Lead Managers  
(in alphabetical order)*

**CMBI 招銀國際**

**老虎證券**  
TIGER BROKERS

**VICTORY 勝利證券**  
SECURITIES

*Joint Lead Managers  
(in alphabetical order)*

**ECD EDDID**  
FINANCIAL

**第一上海**  
FIRST SHANGHAI GROUP

**華泰國際**  
HUATAI INTERNATIONAL

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

A copy of this Prospectus, having attached thereto the documents specified in the section headed "Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display" in Appendix V to this Prospectus, has been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility for the contents of this Prospectus or any other document referred to above.

The Offer Price is expected to be determined by agreement between the Overall Coordinators (for themselves and on behalf of the Underwriters) and us on the Price Determination Date. The Price Determination Date is expected to be on or before Monday, December 15, 2025, (Hong Kong time) and, in any event, not later than 12:00 noon on Monday, December 15, 2025, (Hong Kong time). The Offer Price will not be more than HK\$6.95 per Offer Share and is currently expected to be not less than HK\$5.95 per Offer Share. If, for any reason, the Offer Price is not agreed by 12:00 noon on Monday, December 15, 2025, (Hong Kong time) between the Overall Coordinators (for themselves and on behalf of the Underwriters) and us, the Global Offering will not proceed and will lapse.

The Overall Coordinators, on behalf of the Underwriters, may, where considered appropriate and with the Company's consent, reduce the number of Hong Kong Offer Shares and/or the indicative Offer Price range below that which is stated in this Prospectus (which is HK\$5.95 to HK\$6.95 at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, an announcement will be published on the website of our Company at <https://group.hashkey.com> and on the website of the Hong Kong Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the offer will be canceled and relaunched at the revised number of Offer Shares and/or the revised Offer Price range in accordance with the requirements under Rule 11.13 of the Listing Rules (which include the issue of a supplemental or a new prospectus (as appropriate)) as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering. Further details are set forth in the sections headed "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this Prospectus.

Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this Prospectus, including the risk factors set out in the section headed "Risk Factors".

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. See "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination".

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered, sold, pledged or transferred within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are being offered and sold in the United States and to U.S. persons in reliance on Rule 144A, or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, only if QIBs. The Offer Shares may be offered, sold or delivered outside the United States to non-U.S. persons in offshore transactions in accordance with Regulation S.

#### ATTENTION

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this Prospectus to the public in relation to the Hong Kong Public Offering. This Prospectus is available at the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and our website at <https://group.hashkey.com>. If you require a printed copy of this Prospectus, you may download and print from the website addresses above.

December 9, 2025

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## IMPORTANT

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### IMPORTANT NOTICE TO INVESTORS: FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this Prospectus to the public in relation to the Hong Kong Public Offering.

This Prospectus is available at the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) under the “*HKEXnews > New Listings > New Listing Information*” section, and our website at <https://group.hashkey.com>. You may download and print from these website addresses if you want a printed copy of this Prospectus.

To apply for the Hong Kong Offer Shares, you may:

- (1) apply online via the **HK eIPO White Form** service at [www.hkeipo.hk](http://www.hkeipo.hk); or
- (2) apply electronically through the **HKSCC EIPO** channel and cause HKSCC Nominees to apply on your behalf by instructing your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** via HKSCC’s FINI system to apply for the Hong Kong Offer Shares on your behalf.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of this Prospectus are identical to the printed prospectus as registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an **intermediary, broker** or **agent**, please remind your customers, clients or principals, as applicable, that this Prospectus is available online at the website addresses stated above. Please refer to the section headed “How to Apply for Hong Kong Offer Shares” in this Prospectus for further details of the procedures through which you can apply for the Hong Kong Offer Shares.

## IMPORTANT

Your application through the **HK eIPO White Form** service or the **HKSCC EIPO** channel must be for a minimum of 400 Hong Kong Offer Shares and in one of the numbers set out in the table. If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares. If you are applying through the **HKSCC EIPO** channel, you are required to prefund your application based on the amount specified by your broker or custodian, as determined based on the applicable laws and regulations in Hong Kong.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable <sup>(2)</sup> on application/successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable <sup>(2)</sup> on application/successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable <sup>(2)</sup> on application/successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable <sup>(2)</sup> on application/successful allotment
	HK\$		HK\$		HK\$		HK\$
400	2,808.04	10,000	70,200.91	90,000	631,808.17	3,000,000	21,060,272.26
800	5,616.07	12,000	84,241.09	100,000	702,009.08	4,000,000	28,080,363.00
1,200	8,424.11	14,000	98,281.28	200,000	1,404,018.16	5,000,000	35,100,453.76
1,600	11,232.15	16,000	112,321.45	300,000	2,106,027.23	6,000,000	42,120,544.50
2,000	14,040.19	18,000	126,361.64	400,000	2,808,036.30	7,000,000	49,140,635.26
2,400	16,848.22	20,000	140,401.81	500,000	3,510,045.38	8,000,000	56,160,726.00
2,800	19,656.26	30,000	210,602.72	600,000	4,212,054.46	9,000,000	63,180,816.76
3,200	22,464.29	40,000	280,803.64	700,000	4,914,063.53	10,000,000	70,200,907.50
3,600	25,272.33	50,000	351,004.53	800,000	5,616,072.60	12,028,400 <sup>(1)</sup>	84,440,459.58
4,000	28,080.36	60,000	421,205.45	900,000	6,318,081.68		
6,000	42,120.55	70,000	491,406.36	1,000,000	7,020,090.76		
8,000	56,160.72	80,000	561,607.25	2,000,000	14,040,181.50		

- (1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.
- (2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

No application for any other number of the Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

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## EXPECTED TIMETABLE<sup>(1)</sup>

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*If there is any change to the expected timetable of the Hong Kong Public Offering, we will issue an announcement on the respective websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at <https://group.hashkey.com>.*

Hong Kong Public Offering commences . . . . . 9:00 a.m. on Tuesday,  
December 9, 2025

Latest time to complete electronic applications under the  
**HK eIPO White Form** service through  
the designated website at [www.hkeipo.hk](http://www.hkeipo.hk)<sup>(2)</sup> . . . . . 11:30 a.m. on Friday,  
December 12, 2025

Application lists open<sup>(3)</sup> . . . . . 11:45 a.m. on Friday,  
December 12, 2025

Latest time to (a) complete payment for **HK eIPO White  
Form** applications by effecting Internet banking  
transfer(s) or PPS payment transfer(s) and  
(b) give **electronic application instructions**  
to HKSCC<sup>(4)</sup> . . . . . 12:00 noon on Friday,  
December 12, 2025

If you are instructing your broker or custodian who is a HKSCC Participant to submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction to apply for the Hong Kong Offer Shares, you are advised to contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

Application lists close<sup>(3)</sup> . . . . . 12:00 noon on Friday,  
December 12, 2025

Expected Price Determination Date<sup>(5)</sup> . . . . . on or before 12:00 noon, Monday,  
December 15, 2025

(1) Announcement of the Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering, and the basis of allocation of the Hong Kong Offer Shares to be published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at <https://group.hashkey.com><sup>(6)</sup> on or before . . . . . 11:00 p.m. on Tuesday,  
December 16, 2025

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## EXPECTED TIMETABLE<sup>(1)</sup>

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- (2) The results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels including:
- in the announcement to be posted on our website at <https://group.hashkey.com> and in the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk). . . . . 11:00 p.m. on Tuesday, December 16, 2025
  
  - from the "Allotment Results" page in the designated results of allocations website at [www.hkeipo.hk/IPOResult](http://www.hkeipo.hk/IPOResult) (or [www.tricor.com.hk/ipo/result](http://www.tricor.com.hk/ipo/result)) from. . . . . no later than 11:00 p.m. on Tuesday, December 16, 2025 to 12:00 midnight on Monday, December 22, 2025
  
  - from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from. . . . . Wednesday, December 17, 2025 to Monday, December 22, 2025 on a business day

Share certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS on or before<sup>(7)</sup>. . . . . Tuesday, December 16, 2025

**HK eIPO White Form** e-Auto Refund payment instructions/refund cheques in respect of wholly or partially successful applications if the final Offer Price is less than the maximum Offer Price per Offer Share initially paid on application (if applicable) or wholly or partially unsuccessful applications to be dispatched on or before<sup>(8)(9)</sup>. . . . . Wednesday, December 17, 2025

Dealings in the Shares on the Stock Exchange expected to commence at. . . . . 9:00 a.m. on Wednesday, December 17, 2025

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## EXPECTED TIMETABLE<sup>(1)</sup>

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*Notes:*

- (1) All times and dates refer to Hong Kong local times and dates unless otherwise stated.
- (2) You will not be permitted to submit your application under the **HK eIPO White Form** service through the designated website at [www.hkeipo.hk](http://www.hkeipo.hk) after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website at or prior to 11:30 a.m., you will be permitted to continue the application process by completing payment of application money until 12:00 noon on the last day for submitting applications, when the application lists close.
- (3) If there is a “black” rainstorm warning signal, a tropical cyclone warning signal number 8 or above and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Friday, December 12, 2025, the application lists will not open or close on that day. For further details, see the section headed “How to Apply for Hong Kong Offer Shares — E. Severe Weather Arrangements” in this Prospectus.
- (4) Applicants who apply for Hong Kong Offer Shares through **HKSCC EIPO** channel or by instructing your broker or custodian to apply on your behalf via **HKSCC EIPO** channel should see “How to Apply for Hong Kong Offer Shares — A. Application for Hong Kong Offer Shares — 2. Application Channels.”
- (5) The Price Determination Date is expected to be on or before Monday, December 15, 2025 and, in any event, not later than 12:00 noon on Monday, December 15, 2025. If, for any reason, the Offer Price is not agreed between the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and us by 12:00 noon on Monday, December 15, 2025, the Global Offering will not proceed and will lapse.
- (6) None of the website or any of the information contained on the website forms part of this Prospectus.
- (7) The Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date provided that the Global Offering has become unconditional and the right of termination described in “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination” has not been exercised. Investors who trade Shares on the basis of publicly available allocation details or prior to the receipt of Share certificates or the Share certificates becoming valid do so entirely at their own risk.
- (8) **HK eIPO White Form** e-Auto Refund payment instructions/refund checks will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering and also in respect of wholly or partially successful applications in the event that the final Offer Price is less than the maximum price payable per Offer Share on application. Part of the applicant’s identification document number, or, if the application is made by joint applicants, part of the identification document number of the first-named applicant, provided by the applicant(s) may be printed on the refund check, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant’s identification document number before encashment of the refund check. Inaccurate completion of an applicant’s identification document number may invalidate or delay encashment of the refund check.
- (9) Applicants who have applied for Hong Kong Offer Shares through **HKSCC EIPO** channel should refer to “How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of Share Certificates and Refund of Application Monies” for details.

Applicants who have applied through the **HK eIPO White Form** service and paid their applications monies through single bank accounts may have refund monies (if any) dispatched to the bank account in the form of **HK eIPO White Form** e-Auto Refund payment instructions. Applicants who have applied through the **HK eIPO White Form** service and paid their application monies through multiple bank accounts may have refund monies (if any) dispatched to the address as specified in their application instructions in the form of refund checks in favor of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at their own risk.

Any uncollected Share certificates will be dispatched by ordinary post, at the applicants’ risk, to the addresses specified in the relevant applications.

Further information is set out in “How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of Share Certificates and Refund of Application Monies.”

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## EXPECTED TIMETABLE<sup>(1)</sup>

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The above expected timetable is a summary only. For further details of the structure of the Global Offering, and the conditions and procedures for applications for Hong Kong Offer Shares, please read the sections headed “Underwriting”, “Structure of the Global Offering” and “How to Apply for Hong Kong Offer Shares” in this Prospectus carefully.

If the Global Offering does not become unconditional or is terminated in accordance with its terms, the Global Offering will not proceed. In such a case, our Company will make an announcement as soon as practicable thereafter.

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### IMPORTANT NOTICE TO INVESTORS

*This Prospectus is issued by us solely in connection with the Hong Kong Public Offering and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this Prospectus pursuant to the Hong Kong Public Offering. This Prospectus may not be used for the purpose of, and does not constitute, an offer or a solicitation of an offer to subscribe for or buy, any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares or the distribution of this Prospectus in any jurisdiction other than Hong Kong. The distribution of this Prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.*

*You should rely only on the information contained in this Prospectus to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this Prospectus. Any information or representation not made in this Prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, any of the Underwriters, any of our or their respective directors, officers or representatives, or any other person or party involved in the Global Offering.*

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## SUMMARY

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*This summary aims to give you an overview of the information contained in this Prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read the entire Prospectus before you decide to invest in our Shares. There are risks associated with any investment. Some of the particular risks in investing in our Shares are set out in the section headed “Risk Factors” in this Prospectus. You should read that section carefully before you decide to invest in our Shares. Various expressions used in this section are defined in the sections headed “Definitions” and “Glossary of Technical Terms” in this Prospectus.*

### OVERVIEW

We offer a licensed digital asset platform to provide (i) transaction facilitation services, (ii) on-chain services, and (iii) asset management services. Our platform has the capability to issue and circulate tokenised RWAs, and has launched HashKey Chain, a scalable and interoperable Layer 2 infrastructure designed to support on-chain migration.

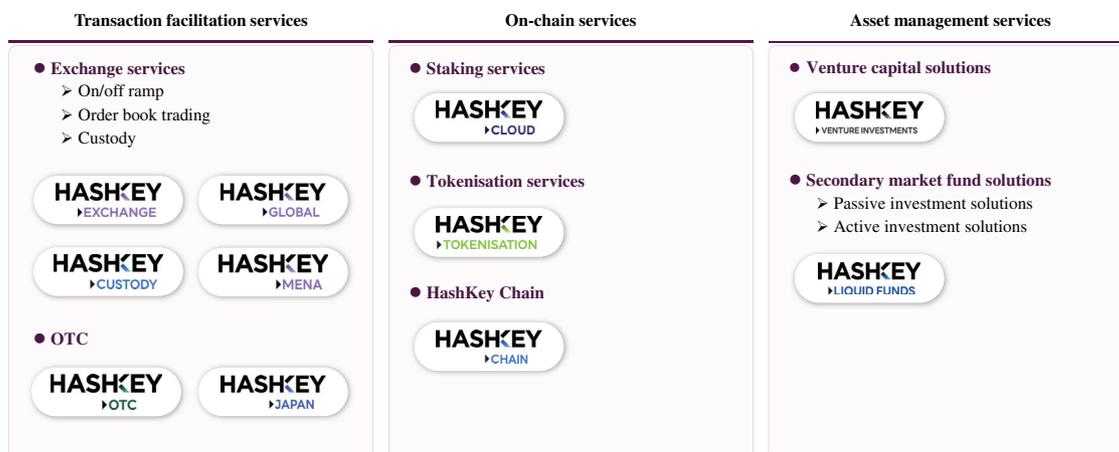
Today, we are an established comprehensive digital asset company in Asia with a global footprint, providing end-to-end financial infrastructure, technology and investment management to create a digital assets ecosystem. Specifically, we are the largest regional onshore platform in Asia by trading volume in 2024, according to Frost & Sullivan. Beyond trading, we are also the largest on-chain services provider in terms of assets under staking and the largest digital asset manager by AUM in Asia, underscoring our leadership across all our businesses.

### OUR SOLUTIONS

We are an established comprehensive digital asset company in Asia with a global footprint. We create a digital asset ecosystem that delivers a comprehensive and expanding suite of products and services, tailored to meet distinct and evolving needs of retail investors, institutional clients and other stakeholders alongside the blockchain value chain. Our offerings span the spectrum of digital asset related offerings, including digital asset transaction facilitation services, on-chain services and asset management services. As of September 30,

## SUMMARY

2025, our platforms supported a total of 80 digital asset tokens, covering a wide range of categories including major layer-1 assets, DeFi tokens, stablecoins and emerging ecosystem projects. The below graphic illustrates our business model:



During the Track Record Period, we derived revenue primarily from (i) transaction facilitation services, (ii) on-chain services, and (iii) asset management services. The following table sets forth a breakdown of our revenue by type of services for the periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	HK\$	%	HK\$	%	HK\$	%	HK\$	%	HK\$	%
<i>(in thousands, except percentages)</i>										
<i>(unaudited)</i>										
Transaction facilitation services . . . . .	(14,915)	(11.6)	50,448	24.3	517,773	71.8	272,108	70.8	193,213	68.0
On-chain services . . . . .	71,807	55.6	78,450	37.8	124,802	17.3	74,425	19.4	52,991	18.7
Asset management services . . . . .	72,172	55.9	78,894	38.0	78,156	10.8	37,653	9.8	37,763	13.3
<b>Total . . . . .</b>	<b>129,064</b>	<b>100.0</b>	<b>207,792</b>	<b>100.0</b>	<b>720,731</b>	<b>100.0</b>	<b>384,186</b>	<b>100.0</b>	<b>283,967</b>	<b>100.0</b>

### Transaction facilitation services

As our core business, we operate one-stop trading platforms to facilitate digital asset investments for both institutional and retail investors. We are the largest regional onshore digital asset platform in Asia in terms of trading volume in 2024, and the largest in Hong Kong with over 75% market share, over three times that of our nearest competitor, according to Frost & Sullivan. The onshore market represents the core gateway for institutional adoption of digital assets. We are among the few exchanges that hold relevant licenses in every jurisdiction where we operate, and all of our business activities and facilitated transactions are carried out through licensed entities under the applicable regulatory regimes.

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## SUMMARY

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We commenced our transaction facilitation services in 2022, during which our exchange platform was in its early stage of development. As market conditions were volatile and our platform was still in the process of building its infrastructure and client base, our revenue contribution from this segment was limited. Moreover, the fair value loss of digital assets further impacted our financial performance in 2022. However, this initial stage laid a solid foundation for our subsequent growth. With the progressive enhancement of our trading system, compliance framework and institutional client onboarding, we entered into full-scale operations in 2023 and began to experience steady increases in trading volume and client engagement. In 2024, our revenue from transaction facilitation services reached HK\$517.8 million as compared with a loss of HK\$14.9 million in 2022, reflecting the strong momentum of our business expansion and the effectiveness of our early strategic investments. Our assets on platforms increased from nil as of December 31, 2022 to HK\$0.9 billion as of December 31, 2023, and further to HK\$11.4 billion as of December 31, 2024. As of September 30, 2025, 3.1% of our assets on platforms were held in hot wallets and 96.9% in cold wallets. As of September 30, 2025, our assets on platforms exceeded HK\$19.9 billion. During the Track Record Period, a majority of our trading volume was contributed by institutional clients, underscoring the significant role they play in driving the overall activity on our platform. As of September 30, 2025, our Hong Kong platform supported the trading of USDT, BTC, ETH, USDC, SOL, LINK, AVAX, DOGE, UNI, XRP and others, while our Bermuda platform enabled trading in a diversified range of digital assets covering 72 categories in total. As of September 30, 2025, we did not offer trading of digital assets other than cryptocurrencies on our platform.

### *Exchange services*

Our exchange services provide clients with licensed market access, institutional-grade security and seamless connectivity to custody, OTC and tokenisation services. We are one of the few exchanges offering fully compliant on/off ramp services with round-the-clock availability. In August 2023, we became the first VATP approved to serve both professional and retail investors, marking a regulatory milestone in Hong Kong's virtual asset market. As of September 30, 2025, our digital asset exchanges had facilitated HK\$1.3 trillion in cumulative spot trading volume, positioning us as an established licensed digital asset exchange provider in Asia.

### *OTC services*

We offer over-the-counter trading services as a licensed complement to our exchange platforms. Designed for large-scale or customized digital asset transactions, it provides clients with a compliant venue that delivers greater flexibility, confidentiality, and reduces market impact compared to order book trading. Direct integration with our custody services also ensures efficient settlement and lower counterparty risk, positioning our OTC services as an institutional-grade channel within our one-stop digital asset ecosystem. We act as a principal in OTC transactions and generate revenue from our OTC services primarily through the spread applied to quoted prices, which is recorded in the financial statement as commission income on a net basis.

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## SUMMARY

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### **On-chain services**

We deliver a comprehensive suite of on-chain services that integrate blockchain staking infrastructure, tokenisation capabilities and blockchain-native development. Our institutional-grade staking services enable clients to participate directly in network staking, with assets safeguarded through segregated custody and robust slashing protection. As of September 30, 2025, we had HK\$29.0 billion of assets under staking, and HashKey Chain's total RWA value has achieved HK\$1.7 billion, positioning us as the largest staking services provider in Asia and the eighth largest globally. Far beyond traditional crypto trading or asset management, our services empower institutional investors and developers to participate securely in blockchain networks and to issue and manage compliant digital assets at scale.

### ***Staking services***

Our staking services are built around enterprise-grade staking, forming the technological foundation of our on-chain operations. Staking services involve operating and maintaining blockchain nodes to validate transactions and secure networks for quality investors. Our infrastructure is designed with adequate backup redundancy, high-availability failover mechanisms and active slashing protection, ensuring institutional-grade reliability and security. We deliver institutional-grade staking services through HashKey Cloud, one of the first providers in Hong Kong approved by the SFC to support ETH ETF staking services. Designed for institutional clients, HashKey Cloud provides professional validator and staking operation services. Its solutions ensure verifiable on-chain performance, transparent governance, auditable operational processes and robust risk management. The service enables clients to earn staking rewards without affecting asset ownership, supported by insurance coverage, redundancy measures and API-based reporting systems that ensure operational safety and control. Institutional and ETF clients may delegate assets directly to our validator nodes through our custody platform, without transferring assets to third-party wallets, thereby combining staking efficiency with regulatory compliance. Our validator nodes are blockchain network nodes that perform transaction validation and block attestation under proof-of-stake consensus. We need to obtain additional licenses to provide staking services for assets under custody. Our monetization rate for staking services was 0.7%, 0.4%, 0.3%, 0.3% and 0.3% in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. Our average assets under staking increased from HK\$10.2 billion in 2022 to HK\$11.3 billion in 2023, and further to HK\$25.7 billion in 2024. Our assets under staking reached HK\$29.0 billion as of September 30, 2025.

### ***Tokenisation services***

Our tokenisation services allow market participants to digitalize real-world assets, issue compliant tokens and unlock new forms of liquidity and investment opportunities. Beyond simple token issuance, we also provide a full suite of complementary services that covers asset structuring, compliant token design, blockchain deployment, exchange distribution, and licensed custody. This enables traditional financial products to move on-chain while embedding compliance and transparency at every stage. Currently, since the tokenisation

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## SUMMARY

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services are in the early stage, we need to communicate with the relevant regulatory authorities in the applicable jurisdictions before rolling out new tokenisation projects. We supported leading asset managers in launching the world's first tokenised money market fund, positioning tokenisation as a viable pathway for regulated fund products. Our RWA projects primarily involve financial assets as underlying assets, and we are actively expanding into new categories such as precious metals, computing power and green energy. Clients for our tokenisation services are mainly sourced through established partnerships with financial institutions, leveraging our strong brand reputation and industry recognition, as well as referrals from market participants. In addition, our team of seasoned professionals in the digital asset industry has also attracted direct invitations and collaborations from institutional partners. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, revenue generated from tokenisation service was nil, HK\$0.4 million, HK\$7.0 million, HK\$5.8 million and HK\$1.1 million, respectively. Prior to 2025, our tokenisation business mainly focused on tokenising assets that potentially could be traded on our trading platform. Thus, the related revenue was classified under Transaction Facilitation Services – Service Fee Income. In 2025, our tokenisation business shifted its focus towards tokenising real-world financial assets on-chain, as we saw the emerging trend of digital-twins assets. Accordingly, the related revenue started to be classified under On-chain Services – Others in 2025. In the future, we plan to tokenize the real-world financial assets through HashKey Chain, and we will monetize through the gas fees.

### ***HashKey Chain***

HashKey Chain is a next-generation Ethereum Layer 2 scaling network developed by us, designed to provide efficient, secure and compliant infrastructure for the global digital asset economy. Built on leading Layer 2 technologies, HashKey Chain functions as an integrated platform connecting RWAs, stablecoins and a broad spectrum of decentralized applications and services. Our HashKey Chain is selected by major financial institutions as the infrastructure for tokenised securities, underscoring both the technical robustness and the regulatory acceptance of our on-chain framework, reinforcing our leadership in building compliant tokenisation infrastructure for institutional finance. We also plan to launch Crypto-as-a-Service based on our HashKey Chain, to provide businesses with readily-available infrastructure and tools, such as APIs and smart contract protocols. This enables them to integrate crypto functionalities into their own products without building complex systems from scratch.

### **Asset management services**

We offer institutional clients access to digital asset investment opportunities, spanning venture capital and secondary fund investments. As of September 30, 2025, we had HK\$7.8 billion in assets under management since inception, and are the largest Asian, and Hong Kong-based asset management service provider in terms of AUM as of December 31, 2024. Our strong investment track record is demonstrated by HashKey Blockchain Investment Fund, which delivered a multiple on invested capital of more than 10x. By embedding asset management within our broader ecosystem, we deepen client engagement and enhance our overall value proposition.

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## SUMMARY

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### *Venture capital solutions*

We provide institutional investors with access to blockchain and digital asset innovation through our venture capital business. As of September 30, 2025, we have managed HK\$5.7 billion in client assets since inception and have made over 400 investments across 2 flagship funds. This makes us one of the earliest and most established institutional investors in Asia's blockchain industry.

### *Secondary market fund solutions*

Our secondary market fund solutions combine passive and active digital asset investment products to provide institutions with compliant, diversified and efficient exposure to the sector. Through passive index-tracking portfolios, we offer long-term, cost-effective access to the digital asset market, while our actively managed strategies leverage institutional-grade infrastructure to pursue excess returns under robust compliance and risk controls. As one of the earliest licensed managers to launch SFC-approved funds directly investing in cryptocurrencies, we have established a leadership position in delivering licensed and transparent digital asset investment channels for global clients.

## **OUR COMPETITIVE STRENGTHS**

We believe our following core competitive strengths will allow us to further consolidate our market position:

- Industry trailblazer as an established digital assets company in Asia;
- Trusted, secure and compliant platform;
- Integrated and diversified offerings amplifies network effects;
- Proven partnerships and longstanding relationships across the ecosystem;
- Robust and purpose-built technology platform; and
- Seasoned leadership team and top-notch talent drive our forward-thinking strategic roadmap.

For details, see “Business — Our Competitive Strengths.”

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## SUMMARY

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### OUR GROWTH STRATEGIES

To achieve our vision and mission, we intend to pursue the following strategies:

- Creating a SuperApp through launching innovative products;
- Investing in technology and strengthening our infrastructure;
- Attracting users and deepening market leadership in Asia;
- Expanding into new markets; and
- Selectively pursuing strategic partnerships and M&A.

For details, see “Business — Our Growth Strategies.”

### SALES AND MARKETING

We enhance our brand awareness and expand our customer base by providing compliant services, coupled with targeted marketing initiatives. We primarily rely on word-of-mouth referrals from our existing institutional clients and Web3 developers as well as effective online and offline marketing efforts. A significant portion of our new clients is referred by existing clients who have benefited from our integrated platform and licensed services. We also leverage strategic partnerships with industry leaders to boost our brand visibility and strengthen our reputation in the digital asset space. In addition, we utilize various online marketing channels, such as search engine optimization, content marketing and advertising campaigns across prominent platforms like social media and industry-specific forums. We aim to drive organic traffic and engagement through targeted campaigns designed to highlight our platform’s value propositions, including licensed digital asset services and Web3 infrastructure.

### OUR SUPPLIERS AND CUSTOMERS

Our suppliers primarily consist of providers of cloud infrastructure, data security services, blockchain-related hardware components, technology service providers, and insurance that support the operation and development of our platforms. In 2022, 2023, 2024 and the six months ended June 30, 2025, purchases from our five largest suppliers were HK\$198.5 million, HK\$236.1 million, HK\$302.1 million and HK\$155.4 million, respectively, accounting for 39.1%, 32.4%, 19.2% and 29.4% of our total purchases for the same periods, respectively. The largest supplier in each period accounted for HK\$151.1 million, HK\$157.2 million, HK\$199.8 million and HK\$97.1 million, respectively, representing 29.8%, 21.6%, 12.7% and 18.4% of total purchases, respectively.

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## SUMMARY

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To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, our five largest suppliers in each period during the Track Record Period were Independent Third Parties except for Wanxiang Blockchain entities, which were among our five largest suppliers in 2022, 2023, 2024 and the six months ended June 30, 2025, and are the related parties of one of our Shareholders. For details, please refer to “Connected Transactions.” As of the Latest Practicable Date, none of our Directors, their close associates, or any of our Shareholders (who or which, to the knowledge of the Directors, owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each period during the Track Record Period, save for the indirect interest held by Wanxiang Blockchain entities through its relationship with a Shareholder.

During the Track Record Period, our customer base primarily consisted of (i) institutional customers, including banks, asset managers, family offices, hedge funds, and Web3 developers, (ii) omnibus customers, such as licensed securities firms, (iii) ecosystem partners, and (iv) retail users. In 2022, 2023, 2024 and the six months ended June 30, 2025, revenue generated from our five largest customers in each period was HK\$102.7 million, HK\$116.5 million, HK\$134.1 million and HK\$64.7 million, respectively, accounting for 79.6%, 56.0%, 18.5% and 22.8% of our total revenue for the same periods, respectively. The revenue from our single largest customer during the same periods was HK\$68.1 million, HK\$83.4 million, HK\$76.6 million and HK\$34.8 million, respectively, representing 52.8%, 40.1%, 10.6% and 12.3% of our total revenue for those periods, respectively.

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, our five largest customers in each period during the Track Record Period were Independent Third Parties except for HashKey Fintech III, GDZ International Limited and HashKey Fintech II, which were among our five largest customers in 2022, 2023, 2024 and the six months ended June 30, 2025 and are among our Controlling Shareholders. For details, please refer to “Connected Transactions.” As of the Latest Practicable Date, none of our Directors, their close associates, or any of our Shareholders (who or which, to the knowledge of the Directors, owned more than 5% of our issued share capital) had any interest in any of our five largest customers in each period during the Track Record Period, save for the indirect interest held by HashKey Fintech III, GDZ International Limited and HashKey Fintech II through their relationship with us.

## COMPETITION

As a pioneer in the digital asset service market, we operate in a highly competitive market shaped by rapid technological advancements and increasing global demand for digital asset services. Intensifying competition from established global and regional players poses challenges as they continue to expand their technological capabilities and product offerings. The rapid pace of innovation in the digital asset industry presents significant opportunities, but also requires us to commit to our long-term strategies, develop product offerings that adapt to the evolving needs of our clients and industry trends, strengthen our technology capabilities and expand our license coverage. For a more detailed discussion of the markets in which we operate and the competition we face, see “Industry Overview.”

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## SUMMARY

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### BUSINESS SUSTAINABILITY

#### Nature of our business

We operate an integrated, compliance-first digital asset platform built around three mutually reinforcing business engines: (i) transaction facilitation services, including our licensed exchanges, OTC desk and related market access; (ii) on-chain services, covering staking, tokenisation and blockchain infrastructure; and (iii) asset management services, offering both passive and active fund strategies for institutional clients. Our platforms share common infrastructure — licensing, custody, risk management, compliance and technology — and together create a platform designed to compound scale, trust and network effects across the ecosystem.

Our business model follows a front-loaded investment cycle, which is characteristic of regulated financial market infrastructure. Substantial resources are required upfront for:

- licensing and regulatory engagement across multiple jurisdictions to ensure compliance and to build the legal foundation for scalable operations;
- core infrastructure development, including exchange engines, custody systems, risk management tools and cybersecurity frameworks, to meet institutional-grade standards;
- technology innovation and R&D, covering staking reliability, tokenisation middleware and blockchain scalability, to support both current offerings and emerging asset classes; and
- brand building and distribution, encompassing sales, partnerships and market education, particularly critical in an emerging asset class where regulatory confidence and reputation determine client adoption.

These investments are incurred before trading volumes and assets under custody reach full scale, which results in a period where operating costs exceed revenue and we may report net losses. During the Track Record Period, we recorded losses for the year/period of HK\$585.2 million, HK\$580.0 million, HK\$1,189.6 million, HK\$772.6 million and HK\$506.7 million for 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. Net cash used in operating activities amounted to HK\$143.5 million, HK\$273.7 million, HK\$183.3 million, HK\$124.4 million and HK\$266.3 million during the corresponding periods, respectively. Our net losses and operating cash outflows during the Track Record Period primarily reflect the nature of our business development cycle and the substantial upfront investments required to establish a licensed, compliant and scalable digital asset platform. After obtaining our Type 1 and Type 7 licences from the SFC in 2022, we continuously enhanced our technological infrastructure, compliance framework and operational capabilities to support long-term business operations. Most expenditures during this period were related to system development, technology integration, talent recruitment and compliance preparation,

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## SUMMARY

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while revenue remained limited. In 2023, we launched our transaction facilitation business and focused on business expansion, client acquisition and ecosystem development. To strengthen market presence and expand user base, we strategically adopted a zero-fee or low-fee policy. Therefore, while our trading volume and client engagement grew significantly, the scale of revenue was relatively small compared with our early-stage investments, and operating expenses, mainly arising from R&D, compliance and platform operations, remained high. In 2024, our operations entered a growth phase, with improving trading momentum and expanding revenue streams demonstrating the initial benefits of earlier investments. While profitability has yet to fully reflect these gains, we have established a solid foundation for continued growth. As the regulatory environment continues to evolve and mature, we are aligning our business expansion accordingly, progressively introducing new products to capture future growth opportunities. According to Frost & Sullivan, our development cycle aligns with the typical evolution of onshore digital asset trading platforms, which generally requires a multi-year investment period for scale efficiencies to materialize, before reaching profitability.

As our platform matures, however, transaction activities, client assets and product utilisation grow, while many core expenses, such as compliance infrastructure, technology architecture and custody operations, remain relatively stable. This dynamic creates operating leverage:

- *Revenue scales non-linearly with activity growth.* Each incremental increase in client activity translates into higher transaction fees, staking commissions and management fees. The fee base is volume-driven rather than cost-driven, meaning that even moderate growth in trading volumes or assets under management can produce disproportionately higher revenue. For example, once a client is onboarded, their ongoing trading or fund activity generates recurring revenues without requiring proportional new expenditures.
- *Fixed costs are amortized over a broader base of clients and assets.* Core expenses, such as licensing, compliance monitoring, security systems, custody infrastructure and R&D, are largely front-loaded and remain relatively stable regardless of client activity levels. As our user base and assets scale, these costs are spread across more transactions and a larger AUM pool, resulting in a declining unit cost per transaction or per client. This effect strengthens as volumes compound, reducing marginal costs and improving efficiency.
- *Margins improve as economies of scale materialize.* With rising revenue and declining unit costs, incremental revenues increasingly exceed incremental expenses. It not only widens operating margins but creates capacity for reinvestment into product innovation, market expansion and ecosystem development. Over time, profitability improves as our platform captures more of the economic value it facilitates, a trajectory similar to that observed in other regulated financial market infrastructures such as securities exchanges, custodians and asset managers.

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## SUMMARY

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The investment cycle demonstrates that early-stage losses are not only expected but also essential to establish the compliance, technology and client trust foundations of our platform. In the long run, this cycle positions us for sustainable profitability by combining a stable cost base with scalable, recurring revenues underpinned by growing trading volumes and assets.

### **Historical development and achievements**

We are building a durable competitive advantage around regulation, security and infrastructure. We secured and operated under licences across Hong Kong, Singapore, Japan, Bermuda and UAE. We launched a licensed Hong Kong VATP serving both professional and retail investors, integrated custody with insurance coverage for both hot and cold wallets, where hot wallets support efficient transactions and cold wallets ensure offline asset protection, and scaled on-chain capabilities.

These foundations translated into measurable operating scale:

- We were the largest regional onshore platform in Asia and the largest in Hong Kong in terms of trading volume in 2024 with an estimated market share of over 75%, according to Frost & Sullivan;
- Our trading platforms safeguarded over HK\$19.9 billion of client assets on platforms as of the Latest Practicable Date, and facilitated cumulative spot trading volume of HK\$1.3 trillion as of September 30, 2025;
- Our on-chain franchise supported HK\$29 billion in staked assets across more than 80 protocols, making us the largest on-chain services provider in terms of assets under staking in Asia and eighth largest globally; and
- We managed HK\$7.8 billion of AUM since inception across venture and liquid strategies as of September 30, 2025.

Our revenue expanded alongside broader product adoption and higher transaction activity, while major cost components such as compliance, custody and technology infrastructure remained relatively stable. As a result, our cost of revenue as a percentage of total revenue increased from 2.8% in 2022 to 6.0% in 2023, and further increased to 26.1% in 2024. It subsequently increased from 27.5% in the six months ended June 30, 2024 to 35.0% during the same period in 2025.

For details, see “Business — Business Sustainability — Historical development and achievements.”

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### Cash Burn Analysis

Our cash burn refers to the average monthly aggregate amount of net cash used in operating activities. Our net operating cash outflow in the three months ended September 30, 2025 was HK\$122.7 million, which is equivalent to HK\$40.9 million per month. The average monthly cash burn was largely driven by our cost on enhancing liquidity for exchange offerings, research and development expenses for investing in technology and strengthen our infrastructure and cybersecurity defense scheme, sales and marketing expenses for attracting users and deepening market leadership in Asia and expanding into new markets, as well as general and administrative expenses for strengthening legal, risk and compliance functions to support our continued business growth.

As of October 31, 2025, we had cash and cash equivalents of HK\$1,479.6 million, and digital assets with a total value of HK\$566.9 million, among the HK\$566.9 million of digital assets, 89% of them consist of mainstream tokens, including ETH, BTC, USDC, USDT, and SOL. We estimate that we will receive net proceeds of approximately HK\$1,426.4 million in the Global Offering, based on Offer Price of HK\$6.45 per Offer Share. As we have established our flagship transaction facilitation services with license, compliance framework and scalable technology infrastructure, and our improving operating leverage alongside business growth, we expect our cash flow and margin profile to improve. Accordingly, we also expect the cash burn rate to improve and we will realize cash inflow as we continue scaling up our operations. By taking a prudent approach, we are assuming an average cash burn rate of HK\$40.9 million per month based on recent levels of operational cash outflow, to conduct the cash flow sufficiency analysis. This is more conservative than the historical average monthly cash burn rate of HK\$25.0 million during the 18-month period ended June 30, 2025. We have also taken into account minimum capital requirements under the applicable laws and regulations when performing such analysis. Including the HK\$9,000,000 liquid capital requirement under the SFC, and the S\$250,000 base capital requirement under the SF(FMR)R and MAS Notice SFA 04-N13. We believe we are able to maintain our financial viability for

- 84.9 months with consideration of IPO proceeds, cash and cash equivalents, and the value of digital assets on hand
- 71.0 months with consideration of IPO proceeds, cash and cash equivalents excluding the value of digital assets on hand
- 50.0 months with consideration of cash and cash equivalents and value of digital assets on hand, but excluding IPO proceeds
- 36.2 months with consideration of cash and cash equivalents, but excluding value of digital assets on hand and IPO proceeds

Our Directors are of the view, and the Joint Sponsors concur, that we have sufficient working capital without considerations of digital assets and IPO proceeds, to fund our operations for the next 12 months since October 31, 2025.

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### Our path to profitability

We have always maintained our key focus to expand digital asset offerings, broaden customer base and ramp up market share, achieving our mission of making digital assets massively accessible. In 2023, we launched our flagship transaction facilitation services which saw an immense growth in trading volume to HK\$638.4 billion for the year ended December 31, 2024. Going forward, as we continue scaling up, we expect to make measurable progress in narrowing our losses and achieving long-term sustainable profitability. Our core strategies include (i) launching diversified and innovative products, (ii) expanding customer base, and (iii) improving operating leverage by managing cost efficiency.

For details, see “Business — Business Sustainability — Our path to profitability.”

### OUR KEY OPERATING METRICS

We regularly review a number of key operating metrics to evaluate our core business operations, identify trends, formulate financial projections and make strategic decisions. The following table presents certain of our key operating data for the years/periods indicated.

	Year ended December 31/As of December 31,			Six months ended June 30/As of June 30,	
	2022	2023	2024	2024	2025
	HK\$	HK\$	HK\$	HK\$	HK\$
			<i>(in billion)</i>		
<b>Transaction facilitation services</b>					
Trading volume . . . . .	4.2	328.0	638.4	347.6	214.1
Assets on platforms . . . . .	–	0.9	11.4	4.0	12.5
<b>On-chain services</b>					
Average assets under staking . . . . .	10.2	11.3	25.7	24.4	20.2
<b>Asset management services</b>					
Asset under management (AUM) . . . . .	3.5	5.0	7.1	6.2	7.1

Our trading volume increased significantly from HK\$4.2 billion in 2022 to HK\$328.0 billion in 2023, subsequently increased to HK\$638.4 billion in 2024, primarily because our Hong Kong digital asset exchange platform commenced operations in the second half of 2023 and our Bermuda digital asset exchange platform commenced operation in 2024. Our trading volume decreased from HK\$347.6 billion in the six months ended June 30, 2024 to HK\$214.1 billion in the six months ended June 30, 2025. This is primarily attributable to our strategic shift in light of the market downturn, which led to less trading activities by retail customers,

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## SUMMARY

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as evidenced by the decrease in monthly trading volume of our retail customers during the same period. The market downturn in the first half of 2025 refers to the substantial price decrease in major digital assets such as ETH (excepts for BTC), which heavily impacted retail customer sentiment. While the BTC price remained relatively flat at US\$93,429.2 as of December 31, 2024 and US\$107,135.3 as of June 30, 2025, the ETH price decreased significantly from US\$3,332.5 as of December 31, 2024 to US\$2,486.5 as of June 30, 2025, SOL price decreased significantly from US\$189.3 as of December 31, 2024 to US\$154.7 as of June 30, 2025, and TON price decreased significantly from US\$5.48 as of December 31, 2024 to US\$2.91 as of June 30, 2025. The market conditions of the digital asset market improved in the third quarter of 2025. Given the market downturn, we proactively concentrate our efforts on the Hong Kong digital asset exchange, which offered more attractive monetization opportunities, where (a) through our omnibus model in Hong Kong, we were able to partner with licensed financial institutions to broaden our outreach, (b) our Hong Kong digital asset exchange established the compliant on/off ramp channel to attract more quality institutional and professional investors, and (c) products were increasingly diversified with the launch of ETFs. This was evidenced by the increase in the trading volume through our Hong Kong digital asset exchange from the first half of 2024 to the first half of 2025. At the same time, we streamlined the product offerings and reduced the marketing activities of Bermuda digital asset exchange that decreased the trading volume. This was because our on/off ramp channel in Bermuda was not available before the fourth quarter of 2025, which made us less competitive against other digital asset exchanges. As such, we strategically concentrated our resources on our Hong Kong digital asset exchange during that period, which already has the on/off-ramp channel. Assets on platforms increased over the periods presented, driven by expansion of our exchange services in Hong Kong and growing client engagement. This growth was primarily a result of higher transactional activities on our digital asset exchanges, as we successfully onboarded more users, expanded our market reach, and enhanced platform liquidity and usability.

Our average assets under staking increased over the periods from 2022 to 2024, driven by the growing adoption of our staking services. This growth was supported by the expansion of our staking partnerships with blockchain networks, the enhancement of our staking infrastructure and a rise in client interest in staking with secure and compliant node validators. The increase in average assets under staking reflects the growing utilisation of our services as clients increasingly trust our platform for efficient and compliant staking opportunities. Our average assets under staking experienced a decline in the six months ended June 30, 2025, compared with the same period in 2024, primarily due to the fluctuations in the prices of tokens related to the proof of stake consensus mechanism (“PoS”). This was primarily due to ETH price, which decreased from US\$3,332.5 as of December 31, 2024 to US\$2,486.5 as of June 30, 2025. As of September 30, 2025, our assets under staking reached HK\$29.0 billion.

Our AUM increased over the periods presented, driven by a strong performance across our asset management services. This growth was primarily the result of our continued ability to manage a diversified portfolio of digital and traditional investment products, tailored to meet the evolving needs of our clients. The increase in AUM reflects our ability to advance investment strategies and the effectiveness of our approach to managing both risk and return.

## SUMMARY

The following table sets forth the breakdown of monthly trading customers, monthly trading volumes and monetization rate by customer type for transaction facilitation services, for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
<b>Retail</b>					
Monthly trading customer . . . . .	0	971	15,967	6,211	14,099
Monthly trading volume (HK\$ in million) . . . . .	0	21,849	29,421	35,936	5,160
Monetization rate (%) <sup>(1)</sup> . . . . .	0	N/A <sup>(2)</sup>	0.08%	0.07%	0.19%
<b>Institutional</b>					
Monthly trading customer . . . . .	31	44	182	132	273
Monthly trading volume (HK\$ in million) . . . . .	349	5,486	22,806	21,978	24,304
Monetization rate (%) <sup>(1)</sup> . . . . .	0.13%	0.02%	0.04%	0.01%	0.07%
<b>Omnibus</b>					
Monthly trading customer . . . . .	0	N/A <sup>(2)</sup>	4	1	8
Monthly trading volume (HK\$ in million) . . . . .	0	N/A <sup>(2)</sup>	974	26	6,216
Monetization rate (%) <sup>(1)</sup> . . . . .	0	N/A <sup>(2)</sup>	0.04%	0.06%	0.04%

*Note:*

- (1) The monetization rate refers to commission fee and other income divided by the trading volume of the same period.
- (2) The figures are too small to be meaningful.

The following table sets forth our key customer metrics for the years/periods indicated.

	As of December 31,			As of June 30,	
	2022	2023	2024	2024	2025
Registered customers <sup>(1)</sup> . . . . .	18	158,600	1,337,172	352,118	1,446,926
Funded customers <sup>(2)</sup> . . . . .	N/A <sup>(3)</sup>	3,753	120,743	16,413	138,517

*Notes:*

- (1) refer to users who have successfully completed the account registration process on our platform, including the submission of required personal information and account verification under our KYC procedures, and are therefore eligible to access our platform services;

## SUMMARY

- (2) refer to registered customers who have deposited fiat currencies or digital assets into their platform accounts, thereby becoming eligible to execute trades or engage in other transaction activities on the platform.
- (3) In 2022, before our exchange platforms commenced operations, customers were onboarded through our over-the-counter trading desk, and such OTC clients did not keep their assets on our platform.

During the Track Record Period, our registered customers increased significantly from 18 as of December 31, 2022 to 158,600 as of December 31, 2023, and further surged to 1,337,172 as of December 31, 2024, mainly driven by the launch and continued expansion of our exchange platform. The number of registered customers subsequently increased from 352,118 as of June 30, 2024 to 1,446,926 as of June 30, 2025, demonstrating the rapid expansion of our exchange platform and our strengthened market presence. Our funded customers increased from nil as of December 31, 2022 to 3,753 as of December 31, 2023, and further to 120,743 as of December 31, 2024, and subsequently increased from 16,413 as of June 30, 2024 to 138,517 as of June 30, 2025, primarily attributable to the same reasons mentioned above.

Funded customer retention rate refers to the proportion of customers who have deposited fiat currencies or digital assets into their platform accounts during a base period and remained active in subsequent periods. It is calculated by dividing the number of funded customers who continue to transact or use the platform's services in a subsequent period by the total number of funded customers in the base period. During the Track Record Period, our funded customer retention rate remained high and stable at 99.9%.

The following table sets forth the breakdown of trading volume by customer type for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
			<i>(in billion)</i>		
Retail customers . . . .	–	262.2	353.0	215.6	31.0
Institutional					
customers . . . . .	4.2	65.8	273.7	131.9	145.8
Omnibus customers . .	–	–	11.7	0.2	37.3
<b>Total . . . . .</b>	<b><u>4.2</u></b>	<b><u>328.0</u></b>	<b><u>638.4</u></b>	<b><u>347.6</u></b>	<b><u>214.1</u></b>

During the Track Record Period, our trading volume from institutional customers maintained an upward trend. It increased from HK\$4.2 billion in the year ended December 31, 2022 to HK\$65.8 billion in the year ended December 31, 2023, and further to HK\$273.7 billion in the year ended December 31, 2024, and subsequently increased from HK\$131.9 billion in the six months ended June 30, 2024 to HK\$145.8 billion during the same period in 2025. Our trading volume from omnibus customers increased from nil in 2023 to HK\$11.7 billion in 2024, and subsequently increased from HK\$0.2 billion in the six months ended June 30, 2024 to

## SUMMARY

HK\$37.3 billion during the same period in 2025. Our trading volume from both institutional customers and omnibus customers increased steadily during the Track Record Period. Our trading volume from retail customers recorded fluctuations during the Track Record Period. It increased from nil in the year ended December 31, 2022 to HK\$262.2 billion in the year ended December 31, 2023. The trading volume from retail customers further increased from HK\$262.2 billion in the year ended December 31, 2023 to HK\$353.0 billion in the year ended December 31, 2024, primarily attributable to the launch and rapid growth of our exchange platform in 2023. The trading volume from retail customers decreased from HK\$215.6 billion in the six months ended June 30, 2024 to HK\$31.0 billion during the same period in 2025, mainly due to the overall market slowdown.

The following table sets forth the breakdown of trading volume of transaction facilitation services by geographical locations for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in billion)</i>				
Hong Kong . . . . .	–	317.1	307.6	159.3	181.9
Bermuda . . . . .	–	–	304.1	179.3	10.6
Others . . . . .	<u>4.2</u>	<u>11.0</u>	<u>26.7</u>	<u>9.0</u>	<u>21.5</u>
<b>Total . . . . .</b>	<b><u>4.2</u></b>	<b><u>328.0</u></b>	<b><u>638.4</u></b>	<b><u>347.6</u></b>	<b><u>214.1</u></b>

The trading volume from Bermuda was HK\$304.1 billion in 2024 after it was commenced in 2024, and it significantly decreased from HK\$179.3 billion in the six months ended June 30, 2024 to HK\$10.6 billion during the same period in 2025, mainly because we streamlined the product offerings and reduced the marketing activities of Bermuda digital asset exchange that decreased the trading volume. Our on/off ramp channel in Bermuda was not available before the fourth quarter of 2025, which made us less competitive against other digital asset exchanges. The trading volume from Hong Kong remained relatively stable at HK\$317.1 billion in 2023 and HK\$307.6 billion in 2024, respectively, as we officially launched our Hong Kong digital asset exchange in the second half of 2023, and it subsequently increased from HK\$159.3 billion in the six months ended June 30, 2024 to HK\$181.9 billion during the same period in 2025, which was in line with our business expansion. The trading volume from other geographical locations increased from HK\$4.2 billion in 2022 to HK\$11.0 billion in 2023, and further increased to HK\$26.7 billion in 2024, and subsequently increased from HK\$9.0 billion in the six months ended June 30, 2024 to HK\$21.5 billion during the same period of 2025, which was in line with our overall business expansion.

## SUMMARY

The following table sets forth the breakdown of our commission fee and other income by type of virtual assets supported by the trading platform, for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
				<i>(unaudited)</i>	
				<i>(in millions)</i>	
USDT . . . . .	2	4	119	59	65
Fiat . . . . .	3	2	97	35	59
BTC . . . . .	–	2	128	65	24
ETH . . . . .	–	2	13	6	10
Others . . . . .	<u>1</u>	<u>1</u>	<u>11</u>	<u>5</u>	<u>20</u>
<b>Total . . . . .</b>	<b><u>5</u></b>	<b><u>12</u></b>	<b><u>369</u></b>	<b><u>170</u></b>	<b><u>179</u></b>

Our commission fee and other income increased from HK\$5 million in 2022 to HK\$12 million in 2023, and further to HK\$369 million in 2024, respectively. It subsequently increased from HK\$170 million in the six months ended June 30, 2024 to HK\$179 million during the same period in 2025. The significant growth during the Track Record Period was primarily driven by the expansion of balances in mainstream digital assets, particularly BTC and USDT, which rose significantly as our platform activity and customer funding levels increased. Fiat balances and other digital assets also grew in line with the overall increase in customer engagement and transaction volumes across our platform.

The following table sets forth the breakdown of trading volume by assets for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
				<i>(in billion)</i>	
Fiat . . . . .	2.0	145.9	153.9	77.6	94.8
USDT . . . . .	1.3	19.3	193.4	104.2	67.8
BTC . . . . .	0.2	123.6	244.4	141.8	28.5
ETH . . . . .	0.1	36.1	27.1	15.1	15.0
Others . . . . .	<u>0.6</u>	<u>3.1</u>	<u>19.6</u>	<u>8.9</u>	<u>7.9</u>
<b>Total . . . . .</b>	<b><u>4.2</u></b>	<b><u>328.0</u></b>	<b><u>638.4</u></b>	<b><u>347.6</u></b>	<b><u>214.1</u></b>

## SUMMARY

Fiat trading volume increased significantly from HK\$2.0 billion in 2022 to HK\$145.9 billion in 2023 and HK\$153.9 billion in 2024. Fiat trading volume subsequently increased from HK\$77.6 billion in the six months ended June 30, 2024 to HK\$94.8 billion during the same period in 2025, mainly attributable to the shift of market participants' preference towards fiat channels amid the market slowdown. USDT trading volume grew from HK\$1.3 billion in 2022 to HK\$19.3 billion in 2023, and increased to HK\$193.4 billion in 2024. USDT trading volume subsequently declined from HK\$104.2 billion in the six months ended June 30, 2024 to HK\$67.8 billion during the same period in 2025, consistent with the overall market downturn. BTC trading volume increased substantially from HK\$0.2 billion in 2022 to HK\$123.6 billion in 2023, and further to HK\$244.4 billion in 2024, primarily driven by the increase in overall market activity following the launch of our exchange platform. However, BTC trading volume decreased from HK\$141.8 billion in the six months ended June 30, 2024 to HK\$28.5 billion during the same period in 2025, mainly attributable to overall market downturn. ETH trading volume increased from HK\$0.1 billion in 2022 to HK\$36.1 billion in 2023. It subsequently decreased to HK\$27.1 billion in 2024, mainly due to the fluctuated market conditions for ETH. ETH trading volume remained relatively stable at HK\$15.1 billion and HK\$15.0 billion in the six months ended June 30, 2024 and 2025, respectively.

The following table sets forth the breakdown of assets on platforms by assets for the years/periods indicated.

	As of December 31,			As of June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
			<i>(in billion)</i>		
BTC . . . . .	–	0.4	6.8	2.3	7.5
ETH . . . . .	–	0.1	1.5	0.8	1.6
USDT . . . . .	–	0.1	0.6	0.4	0.6
Fiat . . . . .	–	0.3	1.3	0.4	1.9
Others . . . . .	–	<u>0.0</u>	<u>1.2</u>	<u>0.1</u>	<u>0.9</u>
<b>Total</b> . . . . .	–	<b><u>0.9</u></b>	<b><u>11.4</u></b>	<b><u>4.0</u></b>	<b><u>12.5</u></b>

Our assets on platforms maintained an overall increasing trend during the Track Record Period, reflecting the steady expansion of our customer base and increasing user engagement on our platform. Total assets on platforms increased from nil as of December 31, 2022 to HK\$0.9 billion as of December 31, 2023, and further to HK\$11.4 billion as of December 31, 2024, and subsequently increased from HK\$4.0 billion as of June 30, 2024 to HK\$12.5 billion as of June 30, 2025.

## SUMMARY

### SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our historical financial information for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this Prospectus. The summary historical financial data set forth below should be read together with, and is qualified in its entirety by reference to, our consolidated financial statements in this Prospectus, including the related notes. Our historical financial information was prepared in accordance with IFRSs.

#### Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss, in absolute amounts, for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
				<i>(unaudited)</i>	
				<i>(in thousands)</i>	
<b>Revenue</b> . . . . .	<b>129,064</b>	<b>207,792</b>	<b>720,731</b>	<b>384,186</b>	<b>283,967</b>
Cost of revenue . . . . .	(3,571)	(12,431)	(188,218)	(105,810)	(99,489)
<b>Gross profit</b> . . . . .	<b>125,493</b>	<b>195,361</b>	<b>532,513</b>	<b>278,376</b>	<b>184,478</b>
Other (loss)/gains, net . . . . .	(167,419)	8,265	39,908	(27,773)	(59,468)
Research and development expenses . . .	(247,185)	(324,065)	(556,661)	(258,397)	(225,232)
Sales and marketing expense . . . . .	(79,391)	(146,735)	(390,099)	(190,445)	(181,398)
General and administrative expenses . . .	(181,314)	(258,998)	(632,960)	(472,013)	(120,797)
<b>Loss from operations</b> . . . . .	<b>(549,816)</b>	<b>(526,172)</b>	<b>(1,007,299)</b>	<b>(670,252)</b>	<b>(402,417)</b>
Finance costs . . . . .	(21,572)	(36,270)	(169,278)	(90,513)	(87,993)
Share of net loss from an associate . . .	(12,601)	(13,525)	(6,893)	(8,943)	(14,290)
<b>Loss before taxation</b> . . . . .	<b>(583,989)</b>	<b>(575,967)</b>	<b>(1,183,470)</b>	<b>(769,708)</b>	<b>(504,700)</b>
Income tax . . . . .	(1,205)	(3,985)	(6,137)	(2,901)	(2,046)
<b>Loss for the year/period</b> . . . . .	<b>(585,194)</b>	<b>(579,952)</b>	<b>(1,189,607)</b>	<b>(772,609)</b>	<b>(506,746)</b>
<b>Attributable to:</b>					
Equity shareholders of the Company . . .	(584,706)	(580,412)	(1,188,993)	(776,977)	(506,314)
Non-controlling interests . . . . .	(488)	460	(614)	4,368	(432)
<b>Loss for the year/period</b> . . . . .	<b>(585,194)</b>	<b>(579,952)</b>	<b>(1,189,607)</b>	<b>(772,609)</b>	<b>(506,746)</b>

## SUMMARY

### Non-IFRS Measure

To supplement our consolidated statements of profit or loss and other comprehensive income which are presented in accordance with IFRS Accounting Standards, we use adjusted loss (Non-IFRS measure) as an additional financial measure, which are not required by, or presented in accordance with, IFRS Accounting Standards. We define adjusted loss (Non-IFRS measure) as loss for the year/period adjusted by adding back (i) equity-settled share-based payments expenses, which are non-cash in nature, (ii) interest expense arising from preferred shares – HashKey Series A, which will be converted into equity upon the Listing, and (iii) fair value loss on convertible bond, which is non-cash in nature and has been converted into redemption liabilities.

We believe that this Non-IFRS measure facilitates the comparisons of operating performance and provides useful information to investors and others in understanding and evaluating our operating performance in the same manner as they help our management.

However, our presentation of this Non-IFRS measure may not be comparable to similarly titled measures presented by other companies. The use of this Non-IFRS measure has limitations as an analytical tool, and investors should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards. The following table sets forth a reconciliation of our adjusted net loss (Non-IFRS measure) for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025.

	<u>Year ended December 31,</u>			<u>Six months ended June 30,</u>	
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2024</u>	<u>2025</u>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(unaudited)</i>				
	<i>(in thousands)</i>				
Loss for the year/period . . .	(585,194)	(579,952)	(1,189,607)	(772,609)	(506,746)
Add back:					
Equity-settled share-based payments expenses . . . . .	3,555	10,430	566,208	500,236	2,571
Interest expense arising from preferred shares – HashKey Series A . . . . .	–	5,217	78,215	31,848	52,202
Fair value loss on convertible bond . . . . .	<u>5,208</u>	<u>113,655</u>	<u>–</u>	<u>–</u>	<u>–</u>
<b>Adjusted loss for the year/period (Non-IFRS measure) . . .</b>	<b><u>(576,431)</u></b>	<b><u>(450,650)</u></b>	<b><u>(545,184)</u></b>	<b><u>(240,525)</u></b>	<b><u>(451,973)</u></b>

## SUMMARY

Our adjusted net loss (Non-IFRS measure) decreased from HK\$576.4 million in 2022 to HK\$450.7 million in 2023, mainly due to the increase in the revenue resulting from the rapid expansion of our transaction facilitation services, which developed into our primary revenue driver during the Track Record Period. Our adjusted net loss (Non-IFRS measure) increased from HK\$450.7 million in 2023 to HK\$545.2 million in 2024, primarily attributable to the increase of the cost of revenue and expenses in HSK from HK\$70.8 million in 2023 to HK\$176.7 million in 2024 despite the significant increase in our revenue during the same period. Our adjusted net loss (Non-IFRS measure) increased from HK\$240.5 million in the six months ended June 30, 2024 to HK\$452.0 million in the same period of 2025, primarily attributable to (i) the decrease in our revenue from transaction facilitation services amid the overall market downturn, and (ii) the increase of the cost of revenue and expenses in HSK from HK\$82.9 million in the six months ended June 30, 2024 to HK\$123.0 million in the six months ended June 30, 2025.

Our net loss remained relatively stable at HK\$585.2 million in 2022 and HK\$580.0 million in 2023. Our net loss increased from HK\$580.0 million in 2023 to HK\$1,189.6 million in 2024. Despite our significant growth in revenue in 2024, the increased net loss was primarily attributable to higher research and development, sales and marketing, and general and administrative expenses, reflecting the nature of our business development cycle and the substantial upfront investments required to build and operate a licensed, compliant and scalable digital asset platform. Our net loss in 2024 was also attributable to the substantial increase in equity-settled share-based payment expenses, which reflects one-off share-based payments. Our net loss decreased from HK\$772.6 million in the six months ended June 30, 2024 to HK\$506.7 million during the same period in 2025, mainly due to the decline in general and administrative expenses.

### **Revenue**

The following table sets forth the breakdown of our revenue by service for the years/periods indicated.

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
				<i>(unaudited)</i>	
<b>Transaction facilitation services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
Commission fee income . . . . .	5,340	11,582	239,910	126,141	107,994
Listing fee income . . . . .	–	–	30,908	1,660	43,578
Trading of digital assets . . . . .	–	–	133,972	86,676	21,330
Service fee income . . . . .	–	529	82,805	37,700	11,343

## SUMMARY

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
				<i>(unaudited)</i>	
<i>Interest income calculated using the effective interest method</i>					
Interest income from client trust accounts . . . . .	–	119	15,096	4,729	15,896
<i>Revenue from other sources</i>					
Fair value (loss)/gain on digital assets . . . . .	(20,255)	38,218	15,082	15,202	(6,928)
	(14,915)	50,448	517,773	272,108	193,213
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<b>On-chain services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
Staking and node validation income . . . . .	65,765	48,531	81,761	39,278	27,460
Web3 events fee income . . . . .	–	27,352	37,136	35,115	23,749
Others . . . . .	6,042	2,567	5,905	32	1,782
	71,807	78,450	124,802	74,425	52,991
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<b>Asset management services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
Asset management fee income . . . . .	72,172	78,894	78,156	37,653	37,763
	129,064	207,792	720,731	384,186	283,967
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Our revenue was HK\$129.1 million, HK\$207.8 million and HK\$720.7 million in 2022, 2023 and 2024, respectively, reflecting the rapid expansion of our transaction facilitation services, which developed into our primary revenue driver during the Track Record Period. In 2022, revenue was primarily derived from our OTC business and asset management services, while a loss of transaction facilitation services was incurred due to the fair value loss on digital assets resulting from market price fluctuations. Our exchange platform generated limited commission fee income as it was still in its early development stage. In 2023, our revenue achieved significant growth, mainly driven by the launch of our exchange platforms in Hong Kong, which further boosted trading volumes and resulted in higher commission fee income. In 2024, the substantial revenue growth was driven by the increase in commission fee income

## SUMMARY

and service fee income as our exchange platforms scaled up and attracted increased participation from institutional clients, supported by steady contributions from on-chain services and asset management services.

Our revenue decreased from HK\$384.2 million in the six months ended June 30, 2024 to HK\$284.0 million during the same period in 2025, primarily due to the decline in revenue from our transaction facilitation services, which was mainly as a result of the market downturn, as well as the fair value losses on digital assets recorded in the first half of 2025 due to the fluctuations of certain digital asset prices.

For details, see “Financial Information — Description of Major Components of Our Results of Operations.”

The following table sets forth the breakdown of commission fee and other related revenue under transaction facilitation services by customer type for each respective period/year.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
				<i>(unaudited)</i>	
					<i>(in thousands)</i>
Retail . . . . .	–	1,270	269,358	152,038	58,925
Institutional . . . . .	5,340	10,960	94,543	18,097	103,577
Omnibus . . . . .	–	–	4,818	95	16,309
<b>Total</b> . . . . .	<b><u>5,340</u></b>	<b><u>12,230</u></b>	<b><u>368,719</u></b>	<b><u>170,230</u></b>	<b><u>178,811</u></b>

Our commission fee and other related revenue generated from transaction facilitation services increased substantially across the Track Record Period. Revenue contributed by retail customers grew from nil in 2022 to HK\$1.3 million in 2023, and further to HK\$269.4 million in 2024, which was in line with the expansion of our retail customer base. It subsequently decreased from HK\$152.0 million in the six months ended June 30, 2024 to HK\$58.9 million during the same period in 2025, primarily due to the overall market slowdown. Revenue from institutional customers increased steadily from HK\$5.3 million in 2022 to HK\$11.0 million in 2023, and further to HK\$94.5 million in 2024 which was primarily as a result of the expansion of our institutional customer base, and the increase in the participation of our institutional customers during the same period. It subsequently increased from HK\$18.1 million in the six months ended June 30, 2024 to HK\$103.6 million during the same period in 2025, reflecting stronger institutional participation on our platform. Revenue attributable to omnibus customers increased from nil in 2023 to HK\$4.8 million in 2024, and subsequently increased from HK\$94,559 in the six months ended June 30, 2024 to HK\$16.3 million during the same period in 2025, supported by continued expansion in our trading volume throughout the period.

## SUMMARY

The following table sets forth the breakdown of our revenue from transaction facilitation services by geographic location, for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%
	<i>(unaudited)</i>									
	<i>(in thousands, except for percentages)</i>									
<b>Transaction facilitation services</b>										
Hong Kong . . . . .	10,337	(69.3)	1,850	3.7	137,695	26.6	86,094	31.6	110,529	57.2
Bermuda . . . . .	-	-	-	-	335,187	64.7	155,594	57.2	73,112	37.8
Others . . . . .	(25,252)	169.3	48,598	96.3	44,891	8.7	30,420	11.2	9,572	5.0
<b>Total . . . . .</b>	<b>(14,915)</b>	<b>100.0</b>	<b>50,448</b>	<b>100.0</b>	<b>517,773</b>	<b>100.0</b>	<b>272,108</b>	<b>100.0</b>	<b>193,213</b>	<b>100.0</b>

For transaction facilitation services, we operate our exchange platforms in Hong Kong and Bermuda, and provide OTC services in Hong Kong and Singapore. Our on-chain services are conducted in Hong Kong, while our asset management services are carried out predominantly in Singapore. Since our Hong Kong digital asset exchange platform commenced operations in the second half of 2023, we mainly generated revenue from the OTC services in Singapore in 2023. Transaction facilitation revenue generated from others mainly represented our revenue from the OTC services in Singapore, with the loss in 2022 arising from fair value changes of digital assets. Revenue from transaction facilitation services grew significantly in 2023 and 2024 as our Hong Kong and Bermuda operations scaled, and subsequently decreased from HK\$272.1 million in the six months ended June 30, 2024 to HK\$193.2 million during the same period in 2025, mainly due to the market downturn.

### ***Gross Profit and Gross Profit Margin***

We recorded gross profit of HK\$125.5 million, HK\$195.4 million, HK\$532.5 million, HK\$278.4 million and HK\$184.5 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. Our gross profit increased over the period from 2022 to 2024, mainly attributable to the gross profit from our transaction facilitation services, which amounted to HK\$(16.8) million, HK\$42.2 million and HK\$338.6 million in 2022, 2023 and 2024, respectively, driven by the launch and continued expansion of our licensed exchange platforms in Hong Kong and globally. Our gross profit decreased from the six months ended June 30, 2024 to the same period in 2025, primarily due to the decrease in the gross profit from our transaction facilitation services, resulting from price fluctuations and the downward trend of the digital asset market.

## SUMMARY

Our gross profit margins amounted to 97.2%, 94.0%, 73.9%, 72.5% and 65.0% in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. The gross profit margin remained stable at 97.2% and 94.0% in 2022 and 2023, respectively. The primary funds under our management are the Venture Capital funds, including HashKey Fintech II and HashKey Fintech III, which are charged based on the committed capital rather than AUM. There are minimal direct costs attributable to such fee income as those funds do not have active trading activities and subscription/redemption once they are set up. For fee income calculated under AUM, specifically the Bosera HashKey Bitcoin ETF and the Bosera HashKey Ether ETF, the two ETFs adopt a passive investment strategy. We serve as the sub-fund manager to provide digital asset expertise and supports portfolio management, while Bosera Asset Management (International) Co., Limited acts as the fund manager responsible for the day-to-day operations. We earn such income as an allocation from Bosera, with minimal direct costs attributable to this fee income. These two factors contribute to a high gross profit margin under our asset management business. Our gross profit margin decreased from 94.0% in 2023 to 73.9% in 2024, primarily due to the higher revenue contribution from transaction facilitation services which carried relatively lower gross profit margin. Our gross profit margin decreased from 72.5% for the six months ended June 30, 2024 to 65.0% during the same period in 2025, mainly due to the decrease in the gross profit margin of our transaction facilitation services, primarily as a result of price fluctuations and the downward trend of the digital asset market.

For details, see “Financial Information — Description of Major Components of Our Results of Operations.”

### Summary of Consolidated Statements of Financial Positions

The table below sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from our historical financial information included in Appendix I to this Prospectus.

	As of December 31,			As of
	2022	2023	2024	June 30,
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
Total non-current assets . . . . .	599,582	603,180	657,269	617,363
Total current assets . . . . .	478,568	936,096	956,547	989,996
<b>Total assets . . . . .</b>	<b>1,078,150</b>	<b>1,539,276</b>	<b>1,613,816</b>	<b>1,607,359</b>
Total non-current liabilities . .	394,636	343,966	339,843	322,070
Total current liabilities . . . . .	676,891	1,725,702	2,326,431	2,867,116
<b>Total liabilities . . . . .</b>	<b>1,071,527</b>	<b>2,069,668</b>	<b>2,666,274</b>	<b>3,189,186</b>
<b>Net assets/(liabilities) . . . . .</b>	<b>6,623</b>	<b>(530,392)</b>	<b>(1,052,458)</b>	<b>(1,581,827)</b>

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## SUMMARY

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We recorded net liabilities of HK\$1,581.8 million as of June 30, 2025, as compared to net liabilities of HK\$1,052.5 million as of December 31, 2024. Such change was primarily due to the loss for the period recognized at HK\$506.7 million.

We recorded net liabilities of HK\$1,052.5 million as of December 31, 2024, as compared to net liabilities of HK\$530.4 million as of December 31, 2023. Such increase was primarily due to the loss for the year recognized at HK\$1,189.6 million, partially offset by the equity-settled share-based payments under share option scheme of HK\$566.2 million.

We recorded net liabilities of HK\$530.4 million as of December 31, 2023, as compared to net assets of HK\$6.6 million as of December 31, 2022. Such change was primarily due to the loss for the year recognized at HK\$580.0 million, partially offset by other comprehensive income of HK\$32.5 million.

### Current Assets and Liabilities

The following table sets forth our current assets and current liabilities as of the dates indicated.

	As of December 31,			As of June 30,	As of October 31,
	2022	2023	2024	2025	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
					<i>(Unaudited)</i>
					<i>(in thousands)</i>
<b>Current assets</b>					
Trade receivables . . . .	–	6,850	28,056	27,051	60,755
Digital assets					
receivables . . . . .	4,179	1,875	2,375	1,272	2,246
Prepayments, deposits					
and other					
receivables . . . . .	38,243	52,428	45,347	58,067	63,126
Amounts due from					
related parties . . . . .	14,923	25,318	24,947	32,272	33,375
Financial assets at					
FVTPL . . . . .	–	–	28,743	20,216	33,701
Intangible assets –					
digital assets . . . . .	118,650	166,377	229,890	155,679	215,336

## SUMMARY

	As of December 31,			As of June 30,	As of October 31,
	2022	2023	2024	2025	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
					<i>(Unaudited)</i>
					<i>(in thousands)</i>
Inventory – digital assets . . . . .	–	–	44,382	49,247	134,168
Digital assets at FVTPL . . . . .	60,150	300,869	246,011	249,604	217,430
Derivative . . . . .	–	37,889	–	–	–
Cash and cash equivalents . . . . .	<u>242,423</u>	<u>344,490</u>	<u>306,796</u>	<u>396,588</u>	<u>1,479,557</u>
<b>Total current assets . .</b>	<b><u>478,568</u></b>	<b><u>936,096</u></b>	<b><u>956,547</u></b>	<b><u>989,996</u></b>	<b><u>2,239,694</u></b>
<b>Current liabilities</b>					
Trade payables . . . . .	50,539	45,010	10,128	6,158	16,069
Digital assets payables . . . . .	24,859	228,393	157,849	169,259	112,418
Accruals and other payables . . . . .	87,459	167,658	340,681	309,271	275,226
Amounts due to related parties . . . . .	347,174	240,446	432,116	430,218	95,490
Contract liabilities . . . . .	–	–	63,499	188,917	313,356
Lease liabilities . . . . .	15,675	15,206	16,947	15,453	14,166
Tax payables . . . . .	10,942	14,926	20,718	22,764	23,975
Borrowings . . . . .	–	13,861	–	–	–
Redemption liabilities . .	<u>140,243</u>	<u>1,000,202</u>	<u>1,284,493</u>	<u>1,725,076</u>	<u>3,369,203</u>
<b>Total current liabilities . . . . .</b>	<b><u>676,891</u></b>	<b><u>1,725,702</u></b>	<b><u>2,326,431</u></b>	<b><u>2,867,116</u></b>	<b><u>4,219,903</u></b>
<b>Net current liabilities . . . . .</b>	<b><u>(198,323)</u></b>	<b><u>(789,606)</u></b>	<b><u>(1,369,884)</u></b>	<b><u>(1,877,120)</u></b>	<b><u>(1,980,209)</u></b>

Our net current liabilities increased from HK\$1,877.1 million as of June 30, 2025 to HK\$1,980.2 million as of October 31, 2025, primarily due to increase in current liabilities outweighing increase in current assets. The increase in our current liabilities was primarily attributable to (i) an increase in redemption liabilities, and (ii) an increase in contract liabilities, partially offset by a decrease in amounts due to related parties. The increase in our current assets was primarily attributable to (i) an increase in cash and cash equivalents, and (ii) an increase inventory — digital assets, partially offset by a decrease in digital assets at FVTPL.

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## SUMMARY

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Our net current liabilities increased from HK\$1,369.9 million as of December 31, 2024 to HK\$1,877.1 million as of June 30, 2025, primarily due to increase in current liabilities outweighing increase in current assets. The increase in our current liabilities was primarily attributable to (i) an increase in redemption liabilities, and (ii) an increase in contract liabilities, partially offset by a decrease in accruals and other payables. The increase in our current assets was primarily attributable to (i) an increase in cash and cash equivalents, and (ii) an increase in amounts due from related parties, partially offset by a decrease in intangible assets — digital assets.

Our net current liabilities increased from HK\$789.6 million as of December 31, 2023 to HK\$1,369.9 million as of December 31, 2024, primarily due to increase in current liabilities outweighing increase in current assets. The increase in our current liabilities was primarily attributable to (i) an increase in redemption liabilities, (ii) an increase in accruals and other payables, and (iii) an increase in amounts due to related parties, partially offset by (i) a decrease in digital asset payables, and (ii) a decrease in trade payables. The increase in our current assets was primarily attributable to (i) an increase in intangible assets — digital assets, and (ii) an increase in inventory — digital assets, partially offset by a decrease in digital assets at FVTPL.

Our net current liabilities increased from HK\$198.3 million as of December 31, 2022 to HK\$789.6 million as of December 31, 2023, primarily due to increase in current liabilities outweighing increase in current assets. The increase in current liabilities was primarily attributable to (i) an increase in redemption liabilities, (ii) an increase in digital assets payables, and (iii) an increase in accruals and other payables, partially offset by a decrease in amounts due to related parties. The increase in current assets was primarily attributable to (i) an increase in digital assets at FVTPL, (ii) an increase in cash and cash equivalents, and (iii) an increase in intangible assets — digital assets, partially offset by a decrease in digital assets receivables.

Upon the Listing, the redemption liabilities will be automatically converted into ordinary shares in accordance with the terms of the relevant agreements and will be re-designated from liabilities to equity, such that the net liabilities position would turn into net assets.

## SUMMARY

### Summary of Consolidated Statements of Cash Flows

The following table sets forth our cash flows for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(unaudited)</i>				
	<i>(in thousands)</i>				
Net cash used in operating activities . . . . .	(143,467)	(273,717)	(183,313)	(124,384)	(266,340)
Net cash (used in)/generated from investing activities . . . . .	(7,244)	(40,608)	(9,510)	2,652	17,594
Net cash generated from financing activities . . . . .	<u>345,741</u>	<u>415,348</u>	<u>153,871</u>	<u>51,400</u>	<u>340,420</u>
<b>Net increase/ (decrease) in cash and cash equivalents . . . . .</b>	<b>195,030</b>	<b>101,023</b>	<b>(38,952)</b>	<b>(70,332)</b>	<b>91,674</b>
Cash and cash equivalents at the beginning of the year/period . . . . .	47,809	242,423	344,490	344,490	306,796
Effect of exchange rate changes on cash and cash equivalents . . . . .	<u>(416)</u>	<u>1,044</u>	<u>1,258</u>	<u>897</u>	<u>(1,882)</u>
<b>Cash and cash equivalents at the end of the year/period . . . . .</b>	<b><u>242,423</u></b>	<b><u>344,490</u></b>	<b><u>306,796</u></b>	<b><u>275,055</u></b>	<b><u>396,588</u></b>

Our operating cash outflows during the Track Record Period primarily reflect the nature of our business development cycle and the substantial upfront investments required to establish a licensed, compliant and scalable digital asset platform. For a detailed discussion of our consolidated cash flow data during the Track Record Period, see “Financial Information — Liquidity and Capital Resources — Cash Flow Analysis.”



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## SUMMARY

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- Our platform may be exploited to facilitate illegal activity such as fraud, money laundering, gambling, tax evasion, and scams. If any of our customers use our platform to conduct such illegal activities, our business could be adversely affected.
- We had net current liabilities and net liabilities position in the past and may not be able to achieve or maintain net assets and net current assets position in the future.
- We operate in a complex, multi-jurisdictional and rapidly evolving regulatory environment, and any adverse regulatory changes or non-compliance could materially and adversely affect our brand, reputation, business, operating results and financial condition.
- Fair value change of financial assets at fair value through profit or loss may affect our results of operations.
- We are subject to laws, regulations, and industry requirements related to data privacy, data protection and information security, and customer protection across different jurisdictions where we conduct our business, and industry requirements and such laws, regulations, and industry requirements are constantly evolving and changing. Any actual or perceived failure to comply with such laws, regulations, and industry requirements, or our privacy policies could harm our business.
- As the digital economy is still emerging and lacks strong representation among policymakers or lobbying groups, we may face challenges in effectively responding to legislation or regulations that could negatively affect our business.

### OUR CONTROLLING SHAREHOLDERS

Upon Listing, Mr. Lu, GDZ International Limited, HashKey Fintech III and Puxing Energy Limited (stock code: 00090) will constitute our Controlling Shareholders. Immediately upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), they will together hold approximately 39.43% of the issued Shares in our Company. In addition, Mr. Lu is entitled to exercise, in accordance with the Pre-IPO Equity Incentive Plan, the voting rights attached to the 578,571,420 ESOP Shares held by the ESOP Platform, representing approximately 20.92% of our issued Shares immediately upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

Accordingly, our Controlling Shareholders will control approximately 60.36% of the voting rights in our Company immediately upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

For further details, please see the section headed “Relationship with our Controlling Shareholders”.

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## SUMMARY

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### **DIVIDEND**

As advised by our Cayman Islands legal advisor, under Cayman Islands law, a position of accumulated losses and net liabilities does not necessarily restrict our Company from declaring and paying dividends to our Shareholders out of either our profit or our share premium account, provided this would not result in our Company being unable to pay its debts as they fall due in the ordinary course of business. As we are a holding company incorporated under the laws of the Cayman Islands, the payment and amount of any future dividends will also depend on the availability of dividends received from our subsidiaries. Any dividends we pay will be determined at the absolute discretion of our Board, taking into account factors including our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors that our Board deems to be appropriate. Our Shareholders may approve, in a general meeting, any declaration of dividends, which must not exceed the amount recommended by our Board. Throughout the Track Record Period, we did not pay or declare any dividend. Currently, we do not have a formal dividend policy or a fixed dividend distribution ratio.

### **LEGAL PROCEEDINGS AND COMPLIANCE**

We are committed to adhering to the laws and regulations applicable to our business. During the Track Record Period and up to the Latest Practicable Date, we did not experience any non-compliance incidents that our Directors believe would, individually or collectively, have a material operational or financial impact on our business and operations as a whole.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any actual or pending legal, arbitration or administrative proceedings (including any bankruptcy or receivership proceedings) that we believe would have a material adverse effect on our business, results of operations, financial condition, reputation, or compliance status.

### **LISTING EXPENSES**

Our listing expenses mainly include (i) underwriting-related expenses, such as underwriting fees and commissions, and (ii) non-underwriting-related expenses, comprising professional fees paid to our legal advisors and reporting accountants for their services rendered in relation to the Listing and the Global Offering, and other fees and expenses. Assuming full payment of the discretionary incentive fee, the estimated total listing expenses (based on the mid-point of the Offer Price range and assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised) for the Global Offering are approximately HK\$125.3 million, accounting for approximately 8.1% of our gross proceeds. Among such estimated total listing expenses, we expect to pay underwriting-related expenses of HK\$62.1 million, professional fees for our legal advisors and reporting accountants of HK\$47.3 million and other fees and expenses of HK\$15.9 million. An estimated amount of HK\$57.8 million for our listing expenses, accounting for approximately 3.7% of our gross

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## SUMMARY

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proceeds, is expected to be expensed through the statement of profit or loss and an estimated amount of HK\$67.5 million is expected to be recognized directly as a deduction from equity upon the Listing. During the Track Record Period, we did not recognize any listing expenses.

### FUTURE PLANS AND USE OF PROCEEDS

We estimate the net proceeds of the Global Offering which we will receive, assuming an Offer Price of HK\$6.45 per Offer Share (being the mid-point of the Offer Price range stated in the Prospectus), will be approximately HK\$1,426.4 million, after deduction of underwriting fees and commissions and other estimated expenses payable by us in connection with the Global Offering and assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised.

In line with our strategies, we intend to use the proceeds from the Global Offering for the purposes and in the amounts set forth below:

- Approximately 40.0%, or HK\$570.5 million, will be used for technology and infrastructure iteration.
- Approximately 40.0%, or HK\$570.5 million, will be used for market expansion and ecosystem partnerships.
- Approximately 10.0%, or HK\$142.6 million, will be used for operational and risk management.
- Approximately 10.0%, or HK\$142.6 million, will be used for working capital and general corporate purposes.

For further details, see the section headed “Future Plans and Use of Proceeds.”

### OFFERING STATISTICS

	<u>Based on Offer Price of HK\$6.95 per Share</u>	<u>Based on Offer Price of HK\$5.95 per Share</u>
Market capitalization of our Shares upon completion of the Global Offering <sup>(1)</sup> . . . . .	HK\$19,218 million	HK\$16,453 million
Unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share <sup>(2)(3)</sup> . . . . .	HK\$0.68	HK\$0.55

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## SUMMARY

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*Notes:*

- (1) The calculation of market capitalization is based on 2,765,176,002 Shares expected to be in issue immediately following the completion of the Global Offering, and assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised.
- (2) The unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share is arrived at after the adjustments referred to in Appendix II to this Prospectus and on the basis that 1,870,444,122 Shares (including (i) 1,350,000,000 Shares issued and outstanding as of June 30, 2025, (ii) 279,874,122 Shares converted from Series A Preferred Shares issued and outstanding as of June 30, 2025 on a one-to-one basis, (iii) 240,570,000 Shares to be issued under the Global Offering) were in issue immediately following the completion of Global Offering. It does not take into account any Shares which may be issued upon the exercise of the Offer Size Adjustment Option, the Over-allotment Option and the shares granted under the Pre-IPO Equity Incentive Plan.
- (3) No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets to reflect any trading results or other transactions of the Group entered into subsequent to June 30, 2025, including the issuance of 316,160,460 Series A Preferred Shares in July 2025 and August 2025. Had such issuance occurred before or as of June 30, 2025, our unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity shareholders of the Company would have increased by HK\$1,680,297,000, and our unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share based on minimum Offer Price and maximum Offer Price would have increased by HK\$0.69 and HK\$0.67, respectively.

### **APPLICATION FOR LISTING ON THE STOCK EXCHANGE**

We have applied to the Stock Exchange for the granting of the listing of, and permission to deal in (a) the Shares in issue (including the Shares to be converted from the Preferred Shares); and (b) the Shares to be issued pursuant to the Global Offering (including any Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option). We satisfied the market capitalization /revenue test under Rule 8.05(3) of the Listing Rules with reference to (i) our revenue for the year ended December 31, 2024, being HK\$720.7 million, which is over HK\$500 million; and (ii) our market capitalization at the time of Listing, which, based on the low-end of the indicative Offer Price range, exceeds HK\$4 billion.

### **RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE**

In September 2025, we launched the Marketplace function on HashKey Exchange to enhance the efficiency and transparency of OTC block trading. Our Marketplace enables institutional and professional investors to compare real-time quotes from multiple liquidity providers and settle transactions through either instant or deferred settlement modes. Our platform adopts an all-in pricing model, under which quotes incorporate all related costs, and supports automated processes covering trade confirmation, record generation and audit trail creation. Through the introduction of Marketplace, we further expanded our product suite and strengthened our capability to serve diverse trading needs under a regulated framework. Subsequent to the Track Record Period, we further expanded the application of digital assets in everyday financial scenarios through partnerships with leading financial institutions. In

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## SUMMARY

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October 2025, we jointly launched a credit card with a commercial bank, allowing users to earn HSK rewards on their purchases. This initiative marks a pioneering step toward integrating digital asset utilities with traditional financial infrastructure.

Our trading volume decreased from HK\$495.5 billion in the nine months ended September 30, 2024 to HK\$377.1 billion during the same period in 2025, mainly due to our strategic shift in light of the market downturn. Our assets on platforms grew substantially from HK\$5.4 billion as of September 30, 2024 to HK\$19.9 billion as of September 30, 2025, reflecting the continued development of our exchange platform.

The following table sets forth our financial information for the periods indicated:

	Nine months ended September 30,	
	2024	2025
	<i>HK\$</i>	<i>HK\$</i>
	<i>(unaudited)</i>	
	<i>(in thousands)</i>	
Revenue . . . . .	535,987	557,629
Cost of revenue . . . . .	<u>(157,525)</u>	<u>(216,998)</u>
Gross profit . . . . .	378,462	340,631

Our revenue increased from HK\$536.0 million for the nine months ended September 30, 2024 to HK\$557.6 million for the nine months ended September 30, 2025, mainly driven by the growth of our asset management services. Our cost of revenue increased from HK\$157.5 million in the nine months ended September 30, 2024 to HK\$217.0 million during the same period in 2025, mainly due to the increased liquidity costs amid the market downturn, as liquidity provider expenses and blockchain gas fees rose significantly under our transaction facilitation services to support trading activity. In response to unfavorable market conditions and thinner natural liquidity, we intentionally increased liquidity spending to deepen order books, tighten spreads and maintain execution quality for both institutional and retail customers, which led to higher liquidity provider expenses during the period. Looking ahead, as our trading volume continues to scale and our liquidity pool grows, we expect the volatility between demand and supply to converge and our reliance on external liquidity providers to decrease, resulting in a gradual reduction in liquidity cost as a percentage of revenue in the near term. Our gross profit decreased from HK\$378.5 million in the nine months ended September 30, 2024 to HK\$340.6 million during the same period in 2025, mainly due to the same reason.

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## SUMMARY

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The financial information as of and for the nine months ended September 30, 2025 as shown above was extracted from the unaudited condensed interim consolidated financial statements of the Group prepared by the Directors in accordance with IAS 34 “Interim Financial Reporting”, which were reviewed by KPMG, the reporting accountants of the Group, in accordance with the Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

We expect to record a net loss in 2025, primarily attributable to the continued market volatility in the global digital asset industry affecting our core business, and our continuous investment in technology infrastructure, compliance enhancement and international expansion.

Our Directors have confirmed that, up to the date of the Prospectus, there had been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since June 30, 2025, being the end date of the periods reported on in the Accountants’ Report set out in Appendix I to this Prospectus, and there had been no event since June 30, 2025, that would materially affect the information shown in the Accountants’ Report set out in Appendix I to this Prospectus.

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## DEFINITIONS

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*In this Prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below. Certain other terms are explained in the section headed “Glossary of Technical Terms” in this Prospectus.*

“Accountants’ Report”	the accountants’ report of our Company, the text of which is set out in Appendix I to this Prospectus
“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
“AFRC”	Accounting and Financial Reporting Council (會計及財務匯報局)
“Articles” or “Articles of Association”	the fourth amended and restated articles of association of our Company conditionally adopted on December 4, 2025 with effect from the Listing Date (as amended from time to time), a summary of which is set out in Appendix III to this Prospectus
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board”, “Board of Directors” or “our Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are generally open for normal business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
“BVI”	the British Virgin Islands
“Capital Market Intermediaries” or “capital market intermediary(ies)” or “CMI(s)”	the capital market intermediaries participating in the Global Offering and has the meaning ascribed thereto under the Listing Rules
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC

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## DEFINITIONS

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“China” or “the PRC”	the People’s Republic of China, which, for the purpose of this Prospectus and for geographical reference only, excludes the regions of Hong Kong, Macau and Taiwan
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies Act” or “Cayman Companies Act”	the Companies Act (As Revised) of the Cayman Islands, as amended or supplemented or otherwise modified from time to time
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company”, or “the Company”	HashKey Holdings Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands on January 2, 2019
“Compliance Adviser”	Guotai Junan Capital Limited
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“connected transaction(s)”	has the meaning ascribed thereto under the Listing Rules
“Controlling Shareholders”	refers to Mr. Lu, GDZ International Limited, HashKey Fintech III and Puxing Energy Limited, see “Relationship with our Controlling Shareholders”
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“Director(s)”	the director(s) of our Company
“Dr. Xiao”	Dr. Xiao Feng (肖風), our executive Director, the chairman of the Board and the chief executive officer of our Company

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## DEFINITIONS

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“ESG”	Environmental, Social and Governance
“ESOP Platform”	Golden Future Prosperity Ltd., a limited liability company incorporated under the laws of BVI and wholly held by the trustee of the ESOP Trust, being the employee incentive platform for the purpose of administering and holding Shares for the Pre-IPO Equity Incentive Plan
“ESOP Share(s)”	the 578,571,420 Ordinary Shares underlying the options granted by the Company under the Pre-IPO Equity Incentive Plan
“ESOP Trust”	a trust established by the Company for the purpose of administering and holding Shares for the Company’s employee equity incentive plan(s)
“Exchange Participant”	a person (a) who, in accordance with the Hong Kong Listing Rules, may trade on or through the Hong Kong Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Hong Kong Stock Exchange as a person who may trade on or through the Hong Kong Stock Exchange
“Extreme Conditions”	extreme conditions as announced by the government of Hong Kong in the case where a super typhoon or other natural disaster of a substantial scale seriously affects the working public’s ability to resume work or brings safety concern for a prolonged period
“FINI”	“Fast Interface for New Issuance”, the online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for the Listing
“Frost & Sullivan”	Frost & Sullivan Limited, an independent professional market research and consulting company, which is an Independent Third Party
“Frost & Sullivan Report”	an independent market research report commissioned by us and prepared by Frost & Sullivan for the purposes of this Prospectus

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## DEFINITIONS

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“Global Offering”	the Hong Kong Public Offering and the International Offering
“Group”, “our Group”, “our”, “we” or “us”	our Company and its subsidiaries from time to time, and where the context requires, in respect of the period prior to our Company became the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
“HashKey Fintech II”	HashKey FinTech Investment Fund LP, an exempted limited partnership registered under the laws of Cayman Islands. Its general partner is HashKey Capital Investment, an exempted company incorporated in the Cayman Islands and a subsidiary of the Company
“HashKey Fintech III”	HashKey FinTech Investment Fund III (Cayman Master) LP, an exempted limited partnership registered under the laws of Cayman Islands. Its general partner is HashKey FinTech Investment, an exempted company incorporated in the Cayman Islands and a subsidiary of the Company. It will be a Controlling Shareholder of the Company upon Listing. See the section headed “Relationship with our Controlling Shareholders” for further details
“HK\$” or “Hong Kong Dollars” or “HK Dollars” and “HK cents”	Hong Kong dollars, the lawful currency of Hong Kong
“ <b>HK eIPO White Form</b> ”	the application for Hong Kong Offer Shares to be issued in the applicant’s own name by submitting applications online through the designated website at <a href="http://www.hkeipo.hk">www.hkeipo.hk</a>
“ <b>HK eIPO White Form Service Provider</b> ”	the <b>HK eIPO White Form</b> service provider designated by our Company as specified on the designated website at <a href="http://www.hkeipo.hk">www.hkeipo.hk</a>
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited

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## DEFINITIONS

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“HKSCC EIPO channel”	the arrangement in HKSCC Operational Procedures for instructions to be given electronically to HKSCC by participants via FINI for applications to be made on their behalf for new issue shares and for the payment of application moneys, and for those instructions to be acted upon
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“HKSCC Operational Procedures”	the operational procedures of the HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC’s services and the operations and functions of the systems established, operated and/or otherwise provided by or through HKSCC (including FINI and CCASS) as from time to time in force
“HKSCC Participant(s)”	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
“HKSCC Rules”	the General Rules of HKSCC and as may be amended or modified from time to time and where the context so permits, shall include the Operational Procedures of HKSCC
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Offer Shares”	the 24,057,200 Shares (subject to reallocation and the Offer Size Adjustment Option as described in the section headed “Structure of the Global Offering”) initially offered by our Company for subscription at the Offer Price pursuant to the Hong Kong Public Offering
“Hong Kong Public Offering”	the offering of the Hong Kong Offer Shares for subscription by the public in Hong Kong (plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%), on and subject to the terms and conditions described in “Structure of the Global Offering — The Hong Kong Public Offering”

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## DEFINITIONS

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“Hong Kong Share Registrar”	Tricor Investor Services Limited
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Hong Kong Takeovers Code” or “Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering listed in the section headed “Underwriting — Hong Kong Underwriters”
“Hong Kong Underwriting Agreement”	the underwriting agreement dated December 8, 2025, relating to the Hong Kong Public Offering entered into by, among others, GDZ International Limited, Mr. Lu, our Company, the Overall Coordinators, the Joint Sponsors and the Hong Kong Underwriters, as further described in the section headed “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Hong Kong Underwriting Agreement”
“IFRSs”	the IFRS Accounting Standards, which include standards, amendments and interpretations promulgated by International Accounting Standards Board
“Independent Third Party(ies)”	any person(s) or entity(ies) who is not a connected person of the Company within the meaning of the Listing Rules
“International Offer Shares”	the 216,512,800 Shares offered by our Company pursuant to the International Offering together with any additional Shares which may be allotted and issued by our Company pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option (subject to reallocation as described in the section headed “Structure of the Global Offering”)

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## DEFINITIONS

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“International Offering”	the conditional placing of the International Offer Shares by the International Underwriters at the Offer Price outside the United States in offshore transactions in reliance on Regulation S and in the United States to QIBs in reliance on Rule 144A or any other available exemption from the registration requirements under the U.S. Securities Act, in each case on and subject to the terms and conditions of the International Underwriting Agreement, as further described in the section headed “Underwriting — Underwriting Arrangement and Expenses — International Offering”
“International Underwriters”	the group of international underwriters who are expected to enter into the International Underwriting Agreement to underwrite the International Offering
“International Underwriting Agreement”	the underwriting agreement relating to the International Offering expected to be entered into on or about December 15, 2025 by our Company and the International Underwriters, as further described in the section headed “Underwriting — Underwriting Arrangement and Expenses — International Offering”
“Joint Bookrunners”, “Joint Global Coordinators”, “Joint Lead Managers”	the joint bookrunners, the joint global coordinators, and the joint lead managers as named in “Directors and Parties Involved in the Global Offering”
“Joint Lead Managers”	the joint lead managers as named in the section headed “Directors and Parties Involved in the Global Offering”
“Joint Sponsors”	J.P. Morgan Securities (Far East) Limited and Guotai Junan Capital Limited
“JPY”	Japanese yen, the lawful currency of Japan
“Latest Practicable Date”	December 1, 2025, being the latest practicable date for the purpose of ascertaining certain information contained in this Prospectus prior to its publication
“Listing”	the listing of our Shares on the Main Board
“Listing Committee”	the listing committee of the Hong Kong Stock Exchange

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## DEFINITIONS

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“Listing Date”	the date, expected to be on or about December 17, 2025, on which our Shares are to be listed and on which dealings in our Shares are to be first permitted to take place on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
“Macau”	the Macao Special Administrative Region of the PRC
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange
“Memorandum” or “Memorandum of Association”	the fourth amended and restated memorandum of association of our Company conditionally adopted on December 4, 2025 with effect from the Listing Date (as amended from time to time), a summary of which is set out in Appendix III to this Prospectus
“Mr. Lu”	Mr. Lu Weiding (魯偉鼎), our non-executive Director and one of our Controlling Shareholders
“Nomination Committee”	the nomination committee of the Board
“Offer Price”	the final offer price per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Hong Kong Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), expressed in Hong Kong dollars, at which Hong Kong Offer Shares are to be subscribed for pursuant to the Hong Kong Public Offering and International Offer Shares are to be offered pursuant to the International Offering, to be determined as described in “Structure of the Global Offering — Pricing and Allocation”
“Offer Share(s)”	the Hong Kong Offer Shares and the International Offer Shares, together, where relevant, with any additional Shares to be issued by our Company pursuant to the exercise of the Offer Size Adjustment Option and/or the Over-allotment Option

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## DEFINITIONS

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“Offer Size Adjustment Option”	the option under the Hong Kong Underwriting Agreement, exercisable by the Company with the prior written agreement between the Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) on or before the execution of the Price Determination Agreement, pursuant to which the Company may issue and allot up to an aggregate of 72,170,800 additional Shares (representing in aggregate approximately 30.0% of the Offer Shares initially being offered under the Global Offering) at the Offer Price, to cover additional market demand, as described in “Structure of the Global Offering — Offer Size Adjustment Option”
“Ordinary Share(s)”	the ordinary share(s) with a par value of US\$0.00001 each in the share capital of our Company
“Over-allotment Option”	the option expected to be granted by our Company to the International Underwriters, exercisable by the Overall Coordinators (on behalf of the International Underwriter) pursuant to the International Underwriting Agreement, to require our Company to allot and issue up to 36,085,200 additional Shares (representing in aggregate approximately 15% of the Offer Shares initially being offered under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all) or up to 46,910,800 additional Shares (representing in aggregate approximately 15% of the Offer Shares initially being offered under the Global Offering assuming the Offer Size Adjustment Option is exercised in full) to the International Underwriters to, among other things, cover over-allocations in the International Offering, if any, details of which are described in the section headed “Structure of the Global Offering – The International Offering – Over-allotment Option” in this Prospectus
“Overall Coordinators”	the overall coordinators as named in the section headed “Directors and Parties involved in the Global Offering”

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## DEFINITIONS

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“Pre-IPO Equity Incentive Plan”	the employee share option plan adopted by the Company on August 27, 2019 and further amended on August 17, 2023, the principal terms of which are set out in the section headed “Statutory and General Information — D. Pre-IPO Equity Incentive Plan” in Appendix IV to this Prospectus
“Pre-IPO Investment(s)”	the investment(s) in our Company undertaken by the Pre-IPO Investors prior to this initial public offering, details of which are set out in “History, Development and Corporate Structure”
“Pre-IPO Investor(s)”	Holder(s) of Shares pursuant to the Pre-IPO Investments, details of which are set out in the section headed “History, Development and Corporate Structure”
“Preferred Share(s)” or “Series A Preferred Share(s)”	the Series A preferred shares(s) with a par value of US\$0.00001 each in the share capital of the Company
“Price Determination Agreement”	the agreement to be entered into between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) on the Price Determination Date to record the Offer Price
“Price Determination Date”	the date, expected to be on or before 12:00 noon, on Monday, December 15, 2025 on which the Offer Price is determined, or such later time as the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company may agree, but in any event no later than 12:00 noon on Monday, December 15, 2025
“Prospectus”	this prospectus being issued in connection with the Hong Kong Public Offering
“QIB” or “Qualified Institutional Buyer”	a qualified institutional buyer within the meaning of Rule 144A
“Regulation S”	Regulation S under the U.S. Securities Act
“Remuneration Committee”	the remuneration committee of the Board
“Renminbi” or “RMB”	the lawful currency of the PRC

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## DEFINITIONS

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“Rule 144A”	Rule 144A under the U.S. Securities Act
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO” or “Securities and Futures Ordinance”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	the Ordinary Shares and/or the Preferred Shares, as the context so requires
“Shareholder(s)”	holder(s) of our Share(s)
“Sponsor-Overall Coordinators”	J.P. Morgan Securities (Asia Pacific) Limited and Guotai Junan Securities (Hong Kong) Limited
“Stabilizing Manager”	J.P. Morgan Securities (Asia Pacific) Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“S\$”	Singapore dollars, the lawful currency of Singapore
“Track Record Period”	the period comprising three financial years ended December 31, 2022, 2023 and 2024 and six months ended June 30, 2025
“treasury shares”	has the meaning ascribed thereto under the Listing Rules
“UAE”	the United Arab Emirates
“U.S. persons”	U.S. persons as defined in Regulation S
“U.S. Securities Act”	United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time
“Underwriters”	the Hong Kong Underwriters and the International Underwriters
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement, as the context may require

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## DEFINITIONS

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“United States”, “USA” or “U.S.”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
“USD”, “US\$” or “U.S. dollars”	United States dollar, the lawful currency of the United States
“VAT”	value-added tax
“%”	per cent

*For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities have been included in this Prospectus in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.*

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## GLOSSARY OF TECHNICAL TERMS

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*This glossary of technical terms contains explanations of certain technical terms used in this Prospectus. As such, these terms and their meanings may not correspond to standard industry meanings or usage of these terms.*

“AML”	Anti-Money Laundering, a set of laws, regulations, procedures and controls designed to prevent illegal activities related to the generation of income through illicit means, and the concealment of the origins of illegally obtained money
“API”	application programming interface, a set of rules and tools that allows different software systems to communicate and interact with each other
“assets on platforms”	assets on platforms are calculated as the aggregate market value of all client assets recorded on the platforms at a specific point in time, based on prevailing market prices and the foreign exchange rate
“assets under staking”	assets under staking are calculated as the aggregate market value of client assets staked through the platforms at a specific point in time, based on prevailing market prices and the foreign exchange rate
“AUM”	assets under management are calculated as the aggregate market value of client assets managed by our Group, whether on a discretionary or non-discretionary basis, at a specific point in time, based on prevailing market prices and the foreign exchange rate
“average assets under staking”	calculated as the arithmetic mean of the aggregate market value of client assets staked through the platforms at the beginning and at the end of the relevant period, based on prevailing market prices and the foreign exchange rate
“Bitcoin”	BTC, a decentralized, peer-to-peer digital currency, also referred to as a cryptocurrency, that enables users to transfer value directly over the internet without the need for intermediaries such as banks or payment processors. Introduced in a 2008 whitepaper by an anonymous entity or person using the pseudonym Satoshi Nakamoto, Bitcoin officially launched in January 2009 with the release of its open-source software

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## GLOSSARY OF TECHNICAL TERMS

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“block trades”	large-volume transactions of securities, such as stocks, bonds, or other financial instruments, that are executed off the public exchange order book, typically in a private, negotiated transaction between two or more parties
“blockchain”	a decentralized, distributed ledger technology that records transactions across a network of computers in a secure, transparent, immutable, and chronological manner
“blockchain gas fee”	refers to the transaction cost paid to validators or miners on a blockchain network to process, validate and record transactions or smart contracts
“CaaS”	Crypto-as-a-Service, a cloud-based or platform-based model in which blockchain infrastructure, cryptocurrency-related tools, or decentralized finance capabilities are provided as a service to individuals, businesses, or institutions
“Central Provident Fund”	a mandatory social security savings scheme in Singapore, designed to help individuals save for key life needs such as housing, healthcare, retirement, and education
“Central Securities Depository”	a financial institution or infrastructure that holds, safeguards, and facilitates the settlement of securities on behalf of investors, issuers, and market participants
“cold wallet”	a type of digital asset storage device that is kept offline, disconnected from the internet, to securely store cryptocurrencies or digital assets. Cold wallets are used to minimise exposure to cybersecurity risks and unauthorised access
“Counter-Terrorist Financing” or “Counter-Financing of Terrorism”	CFT, a set of laws, regulations, policies, and practices designed to detect, prevent, and disrupt the flow of funds or financial services that are intended to support terrorist activities, terrorist organizations, or individual terrorists
“cryptocurrency”	a digital or virtual form of currency that uses cryptography for security and operates on decentralized networks based on blockchain technology

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## GLOSSARY OF TECHNICAL TERMS

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“decentralized finance (DeFi)”	refers to a blockchain-based financial system that enables peer-to-peer activities such as lending, borrowing, trading, and payments through smart contracts, without relying on traditional intermediaries like banks or brokers
“decentralized network”	a type of distributed system architecture in which no single central authority, server, or entity has full control or ownership over the entire network. Instead, control, data storage, and decision-making processes are distributed across multiple participants, allowing the system to operate in a peer-to-peer manner with shared responsibility and resilience
“Digital Asset Treasury”	DAT, a strategic reserve of digital assets held by an organization to manage financial liquidity, hedge risks, fund operations, or execute strategic initiatives
“digital twin”	virtual replicas or digital representations of physical objects, systems, or processes that are continuously updated in real time to mirror their real-world counterparts
“digital-native assets”	a unique class of assets that originate and exist exclusively in digital form, inherently designed for the digital ecosystem, which are fundamentally intertwined with digital technologies and often leverage features like programmability, transparency, and decentralization
“earn products”	a category of financial or digital asset services offered by platforms, such as cryptocurrency exchanges, fintech apps, or decentralized finance protocols that allow users to earn returns, interest, rewards, or incentives on their idle assets, such as cash, cryptocurrencies, stablecoins, or other digital tokens, by depositing or locking them into the platform for a specified period or under specific terms
“ESG”	environment, social and governance

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## GLOSSARY OF TECHNICAL TERMS

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“Ethereum”	a decentralized, open source blockchain platform that enables the creation and execution of smart contracts and the development of decentralized applications. Launched in 2015 by Vitalik Buterin and a team of co-founders, Ethereum is designed to function not just as a digital currency platform, but as a programmable blockchain that supports a wide range of decentralized use cases beyond simple peer-to-peer transactions. Its native cryptocurrency is called Ether or ETH, which acts as the gas token and incentive token on the network
“EVM”	Ethereum Virtual Machine, the runtime environment that executes smart contracts on the Ethereum blockchain. It is a Turing-complete virtual machine that allows developers to deploy decentralized applications using programming languages like Solidity
“gas token”	a unit of account used on a blockchain network to pay for transaction fees and computational resources consumed when executing operations
“HashKey Chain”	an institutional-grade, compliance-oriented Layer 2 blockchain of Ethereum, designed to provide secure, scalable and cost-efficient infrastructure for digital asset transactions and on-chain financial applications and bridge traditional finance to web3 with institutional privacy
“hot wallet”	a digital asset storage tool connected to the internet, allowing immediate access to digital assets for transaction purposes. Hot wallets enable liquidity and fast transfers but are generally exposed to higher cybersecurity risks compared with cold wallets
“HSK”	HashKey Platform Token, refers to a HashKey Chain gas token that can be used to pay for the computation and/or transaction fees on HashKey
“HSM”	hardware security modules, physical, tamper-resistant cryptographic devices specifically designed to securely generate, store, and manage digital keys, as well as perform high-speed encryption, decryption, digital signing, and authentication operations

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## GLOSSARY OF TECHNICAL TERMS

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“IDS”	intrusion detection systems, security tools or software solutions designed to monitor network traffic, system activities, or application behavior in order to identify suspicious, unauthorized, or malicious activities that may indicate a potential security breach, cyberattack, or policy violation. IDS systems detect intrusions but do not take direct action to block them
“KYC”	Know Your Customer, the mandatory process by which financial institutions, businesses, and service providers verify the identity, background, and risk profile of their clients or customers before or during the onset of a business relationship. KYC is a fundamental component of anti-money laundering and counter-terrorist financing regulations, aimed at preventing fraud, financial crime, and illicit activities
“KYT”	Know Your Transaction, the monitoring and analysis of client transactions to identify suspicious activities, assess potential money laundering and terrorist financing risks, and ensure compliance with applicable regulatory requirements
“Layer 2 network”	a secondary framework or protocol built on top of an existing blockchain (typically Layer 1), such as Ethereum, Bitcoin, or others, to enhance the scalability, speed, and efficiency of transactions without altering the underlying Layer 1 blockchain’s core protocol
“miner”	participants in a blockchain network who perform computational work to validate transactions, secure the network and add new blocks to the blockchain ledger. In return, miners receive digital tokens or transaction fees as compensation
“mining”	the process of validating and recording transactions on a blockchain through computational work, in which miners, compete to solve cryptographic puzzles and receive newly issued tokens or transaction fees as rewards

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## GLOSSARY OF TECHNICAL TERMS

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“MPF”	Mandatory Provident Fund, a compulsory, government-sponsored retirement protection scheme in Hong Kong, designed to help the workforce save for retirement through regular contributions from both employees and employers
“on-chain”	refers to transactions, records or activities that are executed and permanently recorded on a blockchain network, as opposed to off-chain activities conducted outside the blockchain system
“on/off ramp”	refers to services that let users convert between fiat money and digital assets. On-ramp means buying digital assets with fiat, while off-ramp means selling digital assets back into fiat
“order book trading”	a traditional market mechanism in which buy and sell orders for a financial instrument, such as stocks, commodities, currencies, or digital assets, are publicly displayed in a centralized list, showing the current demand and supply at various price levels
“OTC”	Over-the-Counter, the process of trading financial instruments directly between two parties, without the use of a centralized exchange or formal trading venue
“PayFinance”	an integrated payment and financial services platform or solution suite that combines digital payment processing with financial management capabilities, such as spend management, corporate treasury, invoicing, lending, or working capital solutions
“Proof of Stake (PoS)”	a consensus mechanism used in blockchain networks where validators are chosen to create new blocks and verify transactions based on the amount of cryptocurrency they hold and are willing to ‘stake’ as collateral, rather than relying on energy-intensive computational power like Proof of Work
“Proof of Work (PoW)”	a consensus mechanism used in blockchain networks to validate transactions and add new blocks to the chain

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## GLOSSARY OF TECHNICAL TERMS

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“RBAC”	role-based access control, an access control methodology that restricts system access by assigning permissions to specific roles rather than to individual users. Users are granted access rights based on their designated roles, thereby enforcing the principles of least privilege and segregation of duties to enhance security and compliance
“RWA”	real world assets, physical or traditional financial assets that exist outside of the blockchain or digital environment, such as real estate, commodities, corporate debt, invoices, cash equivalents, intellectual property, and other tangible or intangible assets
“RWA tokenisation”	the process of converting ownership rights or economic interests in physical or off-chain assets into digital tokens on a blockchain
“SAFEs”	Simple Agreements for Future Equity, investment contracts that provide investors with the right to convert their investment into equity at a future financing event, typically at a discounted rate or with other favorable terms. SAFEs do not carry interest or have a maturity date, making them a flexible and simple instrument for early-stage funding. They are primarily used in startup financing, particularly in the technology and blockchain sectors, offering a streamlined alternative to traditional convertible notes
“SAFTs”	Simple Agreements for Future Tokens, a type of investment contract used by blockchain and cryptocurrency projects. Under a SAFT, investors purchase the right to receive future tokens once the project’s token is fully developed and operational. This model allows blockchain projects to raise capital before the token’s launch, while ensuring compliance with regulatory frameworks. SAFTs are designed to facilitate funding for token-based projects while addressing the legal complexities associated with the issuance of tokens as securities
“Spot ETF”	an exchange-traded fund that directly holds digital assets as its underlying asset, with share prices designed to reflect the spot market price of digital assets, allowing investors to access digital assets without self-custody

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## GLOSSARY OF TECHNICAL TERMS

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“stablecoin”	a type of cryptocurrency designed to maintain a stable value, typically by being pegged to a reserve asset such as a fiat currency, commodity, or other financial instruments
“stake” or “staking”	the process of locking up or committing a certain amount of cryptocurrency in a blockchain network, typically one that uses a Proof of Stake or Proof of Stake-derived consensus mechanism to participate in the validation of transactions, secure the network, and earn rewards
“SuperApp”	a single, all-in-one mobile or web application that provides a wide range of integrated services and functionalities
“tokenisation”	the process of converting rights to an asset, whether physical or digital, into a digital token on a blockchain or distributed ledger, which represents ownership, value, or access rights
“trading volume”	is calculated over a specified period of time on a double-sided basis and reflects trading volume between matching sellers and purchasers on the gross basis during a given period, based on the foreign exchange rate
“validator”	network participants in a proof-of-stake or similar consensus mechanism responsible for verifying transactions, maintaining the integrity of the blockchain and producing new blocks. Validators are typically required to stake tokens as collateral and receive rewards for their validation activities
“validator keys”	refer to the cryptographic key pairs assigned to a validator node for the purpose of signing, attesting and verifying transactions or blocks on a proof-of-stake blockchain. Validator keys are distinct from withdrawal or custody keys and are used solely for validating functions under the relevant blockchain protocol. Proper safeguarding of validator keys is critical to prevent unauthorised validation activity, operational errors or slashing penalties under the protocol

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## GLOSSARY OF TECHNICAL TERMS

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“validator nodes”	refer to a network node responsible for participating in the consensus mechanism of a proof-of-stake blockchain. Validator nodes validate transactions, propose or attest new blocks and help maintain the security and integrity of the blockchain. To operate a validator node, an operator is required to stake a specified amount of the relevant blockchain’s native tokens and comply with the technical and performance requirements of the protocol
“VASP”	virtual asset service provider, a business that exchanges, transfers, or safekeeps virtual assets, or provides financial services for virtual-asset offerings. VASPs are subject to AML/CFT requirements
“VATP”	virtual asset trading platform, a digital platform that facilitates the trading of virtual assets between buyers and sellers. In Hong Kong, a licensed VATP refers to a trading platform that has been officially authorized by the Securities and Futures Commission under the Anti-Money Laundering and Counter-Terrorist Financing (Amendment) Ordinance 2022, allowing it to offer virtual asset trading services to both professional and retail investors in compliance with local laws

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## FORWARD-LOOKING STATEMENTS

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*We have included in this Prospectus forward-looking statements. Statements that are not historical facts, including but not limited to statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.*

We have included in this Prospectus forward-looking statements. Statements that are not historical facts, including but not limited to statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements. When used in this Prospectus, the words “aim”, “anticipate”, “believe”, “could”, “expect”, “going forward”, “intend”, “ought to”, “project”, “seek”, “should”, “will”, “would”, “vision”, “aspire”, “target”, “schedule”, and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the risk factors as described in this Prospectus, some of which are beyond our control and may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing us which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our operations and business prospects;
- changes to the regulatory environment in the industries and markets in which we operate;
- our ability to maintain relationship with, and the actions and developments affecting, our customers and business partners;
- future developments, trends and conditions in the industries and markets in which we operate or plan to operate;
- general economic, political and business conditions in the markets in which we operate;
- our ability to maintain the market positions;
- the actions and developments of our competitors;
- the ability of third parties to perform in accordance with contractual terms and specifications;
- our ability to retain senior management and key personnel and recruit qualified staff;

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## FORWARD-LOOKING STATEMENTS

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- our business strategies and plans to achieve these strategies; and
- capital market developments.

By their nature, certain disclosures relating to these and other risks are only estimates and should one or more of these uncertainties or risks, among others, materialize, actual results may vary materially from those estimated, anticipated or projected, as well as from historical results. Specifically but without limitation, sales could decrease, costs could increase, capital costs could increase, capital investment could be delayed and anticipated improvements in performance might not be fully realized.

Subject to the requirements of applicable laws, rules and regulations, we do not have any or undertake no obligation to update or otherwise revise the forward-looking statements in this Prospectus, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Prospectus might not occur in the way we expect or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this Prospectus are qualified by reference to the cautionary statements in this section as well as the risks and uncertainties discussed in the section headed “Risk Factors.”

In this Prospectus, statements of or references to our intentions or those of our Directors were made as of the date of this Prospectus. Any such information may change in light of future developments.

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## RISK FACTORS

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*An investment in our Shares involves significant risks. You should carefully consider all of the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Shares. The following is a description of what we consider to be our material risks. Any of the following risks could materially and adversely affect our business, financial condition and results of operations. The market price of our Shares could decline due to any of these risks, and you may lose all or part of your investment.*

*These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date, unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in “Forward-looking Statements” in this Prospectus.*

### **RISKS RELATED TO OUR BUSINESS AND INDUSTRY**

***Our operating results have fluctuated and are expected to continue fluctuating due to the highly volatile nature of the digital asset market.***

All of our revenue is heavily dependent on digital assets and the broader digital asset economy. Given the inherently high volatility of digital asset markets and asset prices, our operating results have, and will continue to, fluctuate significantly from quarter to quarter in accordance with market sentiments and overall movements in the broader digital asset economy. For instance, BTC traded within a range of HK\$123,000 to HK\$371,000 in 2022, HK\$130,000 to HK\$346,000 in 2023, HK\$310,000 to HK\$825,000 in 2024, and HK\$529,000 to HK\$875,000 in the six months ended June 30, 2025, while ETH traded within a range of HK\$8,000 to HK\$30,000 in 2022, HK\$9,000 to HK\$19,000 in 2023, HK\$17,000 to HK\$32,000 in 2024, and HK\$11,000 to HK\$29,000 in the six months ended June 30, 2025.

Our operating results will continue to fluctuate significantly as a result of a variety of factors, many of which are unpredictable and in certain instances are outside of our control, including, but not limited to:

- our reliance on products and services linked to digital asset trading activity, including trading volumes and prevailing market prices, both of which can be highly volatile;
- changes in the legislative or regulatory environment or actions by governments or regulatory authorities, including fines or orders;
- regulatory changes that may limit, restrict or otherwise impact our ability to offer certain products or services;

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- our ability to attract, grow and diversify our customer base and maintain active customer engagement;
- pricing strategies for our trading, custody, asset management and on-chain services;
- investments in product development, technology enhancements, international expansion and sales and marketing initiatives to support our ecosystem and partners;
- adding and removing of digital assets on our platform;
- macroeconomic conditions affecting the digital asset market;
- adverse legal proceedings or regulatory enforcement actions, judgments, settlements or other legal proceeding and enforcement-related costs;
- the development and introduction of existing and new products and services by us or our competitors;
- increases in operating expenses that we expect to incur to develop our platform, expand services and maintain competitiveness;
- system failure or outages affecting our exchange, custody or on-chain services, or the blockchain networks we connect to;
- breaches of security or privacy of users;
- inaccessibility or corruption of our platform due to our or third-party actions;
- our ability to attract and retain talents; and
- our ability to compete with other onshore digital asset platforms and service providers.

As a result of these factors, it is difficult for us to forecast growth trends and future prospects accurately. In view of the rapidly evolving nature of our business and the digital asset economy, period-to-period comparisons of our operating results may not be meaningful, and you should not rely upon them as an indication of future performance. Quarterly and annual expenses reflected in our financial statements may be significantly different from historical or projected rates. Our operating results in one or more future quarters may be different from the expectations of securities analysts and investors. As a result, the trading price of our Shares may increase or decrease significantly.

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*Our total revenue is substantially dependent on the volume of transactions conducted on our platform. If such volume declines, our business, operating results and financial condition would be materially and adversely affected.*

We derive the majority of our revenue from transaction fees generated on our platform in connection with the trading of digital assets by our clients. These fees are generally calculated as a percentage of the notional value of each transaction, and in some cases, as fixed service charges. Revenue from other platform services, including on-chain and asset management solutions, also has a high degree of correlation with overall market activity and digital asset valuations. Accordingly, any decline in trading volumes or overall market liquidity could materially reduce our total revenue.

However, the volume of transactions has historically been subject to significant volatility. The trading volume of any given digital asset can fluctuate significantly due to a variety of factors, including, but not limited to:

- the liquidity levels across major digital asset trading platforms;
- the functionality, scalability and security of the underlying blockchain networks;
- trading activities on other digital asset service platforms worldwide, many of which may be offshore, and may include manipulative activities;
- changes in market confidence, including those triggered by negative publicity or security incidents;
- investment and trading activities by active market participants, including institutions, funds and high-frequency traders;
- customer preferences and perceived value of digital assets as well as the underlying markets;
- the ongoing technological viability and security of digital assets and their associated smart contracts, applications and networks, including vulnerabilities to hacks, scalability issues and other technical challenges;
- service interruptions or operational failures at major digital asset platforms, custodians or infrastructure providers;
- fees and transaction speeds associated with processing digital asset transactions, both on the blockchain networks and on trading platforms;
- the availability of banking and payment services to support digital asset-related activities;

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## RISK FACTORS

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- the ability for digital assets and related services to meet evolving investor demands;
- increasing competition from other digital assets or facilitation services that exhibit better speed, security, scalability or other characteristics;
- regulatory or legislative changes and updates affecting market access or product availability;
- the characterization of digital assets under the laws of various jurisdictions where we operate;
- the ability of digital asset networks to attract and retain validators, i.e. the participants responsible for verifying transactions, maintaining consensus and ensuring the integrity of the blockchain, to secure and confirm transactions accurately and efficiently;
- the financial strength of market participants;
- the availability and cost of funding and capital;
- the availability of an active derivatives market for various digital assets affecting spot market prices and hedging activities;
- the level of interest rates and inflation;
- monetary policies of governments, trade restrictions and fiat currency devaluations;  
and
- national and international economic and political conditions.

Therefore, there is no assurance that any digital asset supported on our platform will sustain meaningful trading volumes or continue to be actively utilized within its underlying ecosystem. A prolonged decline in trading volumes or network activity could materially reduce our transaction revenues, suppress client engagement, and adversely impact the performance of related services such as custody, asset management and infrastructure solutions. These conditions could also reduce the attractiveness of our platform to new and existing institutional clients, delay product development or market expansion initiatives and weaken our competitive position, which could materially and adversely affect our business, operation results and financial condition.

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*The current digital asset trading market is heavily reliant on a limited number of major tokens, particularly Bitcoin and Ether, which are the most actively traded tokens. A significant downturn in the markets for these tokens, or a prolonged decline in their prices without a corresponding rise in demand for other digital assets, could have a material adverse effect on the market as a whole, as well as on the operating results and financial condition of market participants.*

We support a diverse portfolio of digital assets for trading and custody through our digital asset trading platforms and services across multiple jurisdictions. Product scope and client eligibility vary by jurisdiction. The current digital asset trading market is heavily reliant on a limited number of major tokens, particularly Bitcoin and Ether, which are the most actively traded tokens. During the Track Record Period, trading volume related to BTC and ETH accounted for approximately 6.2%, 48.7%, 42.5% and 20.4% of our total trading volume in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. As such, in addition to the factors impacting the broader digital asset market, our business and financial condition may be materially and adversely affected if the markets for major tokens deteriorate or if their prices decline, including as a result of the following factors:

- informal governance led by Bitcoin’s and Ethereum’s core developers that leads to revisions to the underlying source code or inactions that prevent network scaling, which may result in changes affecting speed, security, usability or value;
- the ability of the Bitcoin and Ethereum networks to resolve significant scaling challenges and increase the volume and speed of transactions;
- the reduction in mining rewards of Bitcoin, including block reward halving events, which are events that occur after a specific period of time and reduce the block reward earned by miners, who validate transactions and maintain the blockchain network through computational work;
- disruptions, hacks, splits in the underlying network, also known as “forks”, attacks by malicious actors who control a significant portion of the networks’ hash rate, such as double-spend or 51% attacks, or other similar incidents affecting the Bitcoin or Ethereum blockchain networks;
- hard “forks” resulting in the creation of and divergence into multiple separate networks, such as Bitcoin Cash and Ethereum Classic;
- transaction congestion and fees associated with processing transactions on the Bitcoin and Ethereum networks;
- the ability to attract and retain developers and customers to use Bitcoin and Ethereum for payment, store of value, unit of account and other intended uses;
- negative perception of Bitcoin or Ethereum;

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- developments in mathematics and technology, including digital computing, algebraic geometry and quantum computing, that could render the cryptography used by Bitcoin and Ethereum insecure or ineffective; and
- laws and regulations affecting the Bitcoin and Ethereum networks or access to these networks, including a determination that either Bitcoin or Ethereum constitutes a security or other regulated financial instrument under the laws of any jurisdiction.

Given the significant proportion of transaction activities in the digital asset market attributable to Bitcoin and Ethereum, adverse developments affecting either of these tokens may not be offset by increased demand for other digital assets. Such developments could have a material negative impact on the overall market's revenue, profitability, and performance.

***We have incurred net losses during the Track Record Period, and there is no assurance that we will become or remain profitable in the future.***

We commenced operations in 2019 and our business model has continued to evolve since then. While our revenue has grown significantly since inception, there can be no assurance that such growth will continue in future periods, and past performance may not be indicative of future results. Given our limited operating history and the inherent volatility of the digital asset industry, evaluating our business and future prospects involves a high degree of uncertainty. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we recorded loss for the year/period of HK\$585.2 million, HK\$580.0 million, HK\$1,189.6 million, HK\$772.6 million and HK\$506.7 million, respectively, with adjusted net loss (Non-IFRS measure) of HK\$576.4 million, HK\$450.7 million, HK\$545.2 million, HK\$240.5 million and HK\$452.0 million, respectively. See “Financial Information — Non-IFRS Measure” for more details. These losses were primarily attributable to our substantial upfront investments in infrastructure development, including technology architecture, business operations, platform establishment and human resources. Specifically, the development and deployment of our platform and infrastructure required significant capital expenditures in the early stages of our business. If our revenue does not grow sufficiently or if increases in our cost of revenue and operating expenses are not accompanied by corresponding increases in revenue, our business, results of operations, and financial condition may be adversely affected. Additionally, if our revenue does not grow at a sufficient rate, we may not be able to reduce our cost of revenue and operating expenses, many of which are fixed. Therefore, we cannot guarantee that we will achieve profitability in the future.

***Our platform may be exploited to facilitate illegal activity such as fraud, money laundering, gambling, tax evasion, and scams. If any of our customers use our platform to conduct such illegal activities, our business could be adversely affected.***

Historically, to the best of our knowledge, we did not experience any material illegal activity including fraud, money laundering, gambling, tax evasion, or scams. However, our platform may be exploited to facilitate such illegal activity. We or our partners may be specifically targeted by individuals seeking to conduct fraudulent transfers, and it may be

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difficult or impossible for us to detect and avoid such transactions in certain circumstances. The use of our platform for illegal or improper purposes could subject us to claims, lawsuits, and government and regulatory investigations, prosecutions, enforcement actions, inquiries, or requests that could result in liability and reputational harm for us. Moreover, certain activity that may be legal in one jurisdiction may be illegal in another jurisdiction, and certain activities that are at one time legal may in the future be deemed illegal in the same jurisdiction. As a result, there is significant uncertainty and cost associated with detecting and monitoring transactions for compliance with local laws. In addition, digital assets traded or held on our platform may subsequently be determined by regulators or law enforcement authorities to be associated with illicit activities, such as money laundering, terrorist financing or fraud. Although we have implemented comprehensive AML and CTF procedures, including customer due diligence, transaction monitoring and blockchain analytics, such measures may not detect all illicit transactions or funds in real time. If any digital assets are later found to be linked to unlawful sources, we may be required to freeze, seize, or report the relevant assets and accounts, or cooperate with law enforcement investigations, which could lead to regulatory scrutiny, legal disputes, and reputational damage. As regulatory interpretations and enforcement approaches differ among jurisdictions, we may face legal or compliance exposure even when acting in good faith and in accordance with the prevailing laws at the time of transactions. In the event that a customer is found responsible for intentionally or inadvertently violating the laws in any jurisdiction, we may be subject to governmental inquiries, enforcement actions, prosecuted, or otherwise held secondarily liable for aiding or facilitating such activities. Changes in law have also increased the penalties for money transmitters for certain illegal activities, and government authorities may consider increased or additional penalties from time to time. Owners of intellectual property rights or government authorities may seek to bring legal action against money transmitters, including us, for involvement in the sale of infringing or allegedly infringing items. Any threatened or resulting claims could result in reputational harm, and any resulting liabilities, loss of trading volume, or increased costs could harm our business.

Moreover, while fiat currencies can be used to facilitate illegal activities, digital assets are relatively new and, in many jurisdictions, may be lightly regulated or largely unregulated. Many types of digital assets have characteristics, such as the speed with which digital currency transactions can be conducted, the ability to conduct transactions without the involvement of regulated intermediaries, the ability to engage in transactions across multiple jurisdictions, the irreversible nature of certain digital asset transactions, and encryption technology that anonymizes these transactions, that make digital assets susceptible to use in illegal activity. Hong Kong and foreign regulatory authorities and law enforcement agencies have taken and continue to take legal action against persons and entities alleged to be engaged in fraudulent schemes or other illicit activity involving digital assets. We also support digital assets that incorporate privacy-enhancing features and may from time to time support additional digital assets with similar functionalities. For example, our ETH staking service are all anonymous and only the on-chain addresses are verifiable. It is not possible to trace them back to specific companies or individuals. These privacy-enhancing digital assets obscure the identities of

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sender and receiver and may prevent law enforcement officials from tracing the source of funds on the blockchain. Facilitating transactions in these digital assets may cause us to be at increased risk of liability arising out of AML and economic sanctions laws and regulations.

We cannot ensure that we will be able to detect all illegal activity on our platform. If any of our customers use our platform to further such illegal activities, our business could be adversely affected.

***We had net current liabilities and net liabilities position in the past and may not be able to achieve or maintain net assets and net current assets position in the future.***

We had net current liabilities of HK\$198.3 million, HK\$789.6 million, HK\$1,369.9 million and HK\$1,877.1 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. The major components of our current liabilities during the Track Record Period were redemption liabilities. We recorded net assets of HK\$6.6 million as of December 31, 2022, and net liabilities of HK\$530.4 million, HK\$1,052.5 million and HK\$1,581.8 million as of December 31, 2023, 2024 and June 30, 2025, respectively. The fluctuations in our net liabilities throughout the Track Record Period were primarily due to the fluctuations in redemption liabilities. Having significant net liabilities could constrain our operational flexibility and adversely affect our ability to expand our business. If we do not generate sufficient cash flow from our operations to meet our present and future liquidity needs, we may need to rely on additional external borrowings for funding. If adequate funds are not available, whether on satisfactory terms or at all, we may be forced to delay or abandon our growth plans, and our business, financial condition and results of operations may be materially and adversely affected.

***We recorded net operating cash outflows historically and there can be no assurance that we will not have net operating cash outflow in the future.***

We recorded net operating cash outflows of HK\$143.5 million, HK\$273.7 million, HK\$183.3 million and HK\$266.3 million, respectively, in 2022, 2023, 2024 and the six months ended June 30, 2025, primarily attributable to our loss before taxation. For a more comprehensive discussion of our liquidity and capital resources, see “Financial Information — Liquidity and Capital Resources — Net Cash Used In Operating Activities” for further details. We cannot guarantee that prospective business activities of our Group and/or other matter beyond our control (such as market competition and changes to the macroeconomic environment) will not adversely affect our operating cash flows and lead to net operating cash outflows in the future. Changes to regulatory capital requirements may negatively affect our cash flow positions. If we encounter long-term and continuous net operating cash outflow in the future, we may not have sufficient working capital to cover our operating costs, and our business, financial position and results of operations may be materially and adversely affected.

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*We operate in a complex, multi-jurisdictional and rapidly evolving regulatory environment, and any adverse regulatory changes or non-compliance could materially and adversely affect our brand, reputation, business, operating results and financial condition.*

Our business is subject to extensive laws, rules, regulations, policies, orders, determinations, directives, treaties, and legal and regulatory interpretations and guidance in the markets in which we operate, including those governing financial services and banking, trust companies, securities, broker-dealers and alternative trading systems, commodities, credit, digital asset custody, exchange and transfer, cross-border and domestic money and digital asset transmission, privacy, data governance, data protection, cybersecurity, fraud detection, payment services (including payment processing and settlement services), customer protection, antitrust and competition, bankruptcy, tax, anti-bribery, economic and trade sanctions, anti-money laundering (“**AML**”) and counter-terrorist financing. Many of these legal and regulatory regimes were adopted prior to the development of internet-based financial services, mobile technologies, and digital assets. As a result, they do not fully contemplate or address the unique issues associated with the digital asset economy, are subject to significant uncertainty, and vary widely across jurisdictions in which we operate including Hong Kong, Singapore, Bermuda, Cayman, Japan and UAE. These legal and regulatory regimes evolve frequently and may be modified, interpreted and applied inconsistently from one jurisdiction to another, and in some cases may conflict with one another. The complexity and evolving nature of our business, coupled with significant uncertainty regarding the regulation of the digital asset economy, requires us to exercise judgment in determining the applicability of certain laws, rules and regulations to our operations. Regulators or governmental bodies may disagree with our interpretations or conclusions. To the extent we are found not to have complied with applicable laws, rules or regulations, we could be subject to significant fines, licence revocations, product and service restrictions, reputational damage, and other regulatory consequences, any of which could adversely affect our business, operating results and financial condition.

In addition to existing laws and regulations, various governmental and regulatory bodies, including legislative and executive authorities in Hong Kong and in other jurisdictions where we operate, may introduce new laws and regulations, or issue new interpretations of existing requirements, which could impact the development of the digital asset economy and our regulatory status by changing how we operate, how our products and services are regulated, and what products and services we and our competitors may offer. Such changes could require modifications to our compliance frameworks, impose new licensing or capital requirements, or, in extreme cases, prohibit certain categories of digital asset transactions, as has occurred in some jurisdictions.

Because we offer, and intend to continue offering, a range of regulated and innovative products and services across multiple jurisdictions, many of our offerings are subject to significant regulatory uncertainty. For example, the regulatory treatment of fiat-backed stablecoins remains highly uncertain and has drawn scrutiny from legislative and regulatory bodies worldwide. The issuance, trading and resale of such stablecoins may implicate a range

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of legal regimes covering banking, deposit-taking, money transmission, stored value, anti-money laundering, commodities, securities, sanctions, and other jurisdictions. Certain products and services we offer that we believe are outside the scope of direct regulatory oversight, or subject to limited regulatory regimes, may nonetheless be interpreted by regulators to fall within their jurisdiction. There can be no assurance that we, our employees, contractors, or agents will not violate or be alleged to have violated such requirements. Any actual or alleged non-compliance could result in civil, criminal or administrative penalties, orders or actions, including suspension or termination of certain products or services.

In addition, whether a particular digital asset is classified as a “security” under any relevant jurisdiction remains highly uncertain. The classification of a digital asset as a security under applicable law has wide-ranging implications for the regulatory obligations that apply to its offering, sale, trading, custody, settlement and clearing. For example, a digital asset that is classified as a security in Hong Kong may generally only be offered or sold pursuant to a prospectus filed with SFC or under an applicable exemption. Entities dealing in digital assets that are securities in Hong Kong are required to hold a Type 1 (Dealing in Securities) licence, and platforms providing automated trading services for such assets must hold a Type 7 (Automated Trading Services) licence. We have obtained a Type 1 licence for dealing in securities and a Type 7 licence for providing automated trading service to operate our exchange in Hong Kong. Different jurisdictions adopt different approaches to classification. Some take a broad-based view that captures a wide range of tokens and projects, while others, apply narrower tests. As a result, a particular digital asset may be deemed a security in one jurisdiction but not in another. Further, foreign regulators may in the future adopt new rules or interpretations that alter the classification criteria, potentially bringing more digital assets into the scope of securities regulation. Our current and planned product offerings, including our on-chain business initiatives that involve the trading, settlement or tokenisation of certain assets directly on public or permissioned blockchains, may be exposed to this classification risk. If a digital asset that we list or support in such on-chain services is subsequently determined to be a security in a relevant jurisdiction, we may be required to suspend or terminate related services, obtain additional licences, modify our compliance framework, or restrict access for certain customer segments. This could involve significant operational and legal costs, and could lead to loss of trading volume, reduced customer engagement, or reputational harm.

We are subject to ongoing supervisory reviews, audits and examinations by the regulatory authorities in the jurisdictions where we operate. These regulators have broad discretion to inspect our operations and require us to take remedial actions, which may include revising compliance measures, limiting customer segments we serve, changing, delaying or terminating certain products or services, commissioning external audits, or undergoing heightened scrutiny.

We expect legal and regulatory requirements to continue becoming more stringent across our operating jurisdictions, potentially resulting in increased compliance costs, changes to our products and services, and additional supervisory oversight for us and our service providers. New laws, regulations or interpretations could also lead to litigation, regulatory enforcement actions, or prohibit or delay our ability to launch certain products or services, even where such

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offerings are available to competitors in certain markets. Adverse changes to, or our failure to comply with, any applicable laws and regulations have had, and may continue to have, a material adverse effect on our reputation, brand, business, operating results and financial condition.

*As we continue to expand and localize our international operations, our obligations to comply with the laws, rules, regulations and policies of multiple jurisdictions will increase, and we may be subject to enforcement actions by Hong Kong and non-Hong Kong regulators and governmental authorities.*

As we expand and localize our international operations, we are increasingly required to comply with the laws, rules, regulations, policies and regulatory interpretations of both the jurisdictions in which we maintain licensed operations and those into which we offer services on a cross-border basis. Laws governing financial services, digital assets, internet-based trading platforms and related technologies outside of Hong Kong often impose different, more specific, or even conflicting obligations on us, and in some cases carry broader potential liability. If we are found to have violated applicable regimes, or failed to comply with cross-border regulatory requirements, we could face substantial negative consequences, including significant legal costs, financial penalties, licence restrictions, and harm to our reputation.

Regulators in different jurisdictions frequently observe and draw upon each other's approaches to regulating the digital asset economy. As a result, new regulatory developments in one jurisdiction may influence policy changes elsewhere, and adverse measures could be replicated across multiple markets in which we operate. Conversely, if regulatory requirements diverge significantly between jurisdictions, we may face difficulty aligning our product offerings, compliance measures, and operational processes globally. These challenges are compounded by competition from operators engaging in regulatory arbitrage to avoid the compliance costs associated with more stringent regimes.

The complexity of Hong Kong and international regulatory and enforcement regimes, combined with the cross-border nature of our operations, means that a single event could give rise to overlapping proceedings by multiple governmental authorities in different jurisdictions. Any such proceedings, individually or in aggregate, could harm our reputation, damage our brands, disrupt our operations, and adversely affect our financial performance.

Due to the evolving and uncertain application of certain regulatory frameworks, it is possible that products or services we currently assess as outside the scope of financial regulation may, in fact, be subject to licensing, authorization or other regulatory obligations in one or more jurisdictions. In such cases, we may be at heightened risk of enforcement action, litigation, and other regulatory scrutiny, which could lead to sanctions, cease-and-desist orders, financial penalties, or other measures that could materially and adversely affect our operations, business growth and financial condition.

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*The development and expansion of the digital asset market are subject to numerous complex and interrelated factors that are inherently difficult to predict or assess. If the digital asset market does not grow as expected, our business, operating results and financial condition could be adversely affected.*

Digital assets built on blockchain technology remain in the early stages of development. Different digital assets are designed for different purposes. For example, Bitcoin was designed primarily as a peer-to-peer electronic cash system and store of value, while Ethereum functions as a smart contract and decentralized application platform. Many other blockchain networks, such as those supporting decentralized finance, tokenised securities, and blockchain-based infrastructure, have been established only in recent years and continue to evolve.

The further growth and development of digital assets and their underlying blockchain networks, as well as other cryptographic and algorithmic protocols governing their creation, transfer and use, represent a new and evolving paradigm subject to a variety of factors that are difficult to evaluate, including, but not limited to:

- A number of blockchain networks are in the process of implementing software upgrades or protocol changes, which may introduce bugs, security vulnerabilities or operational instability;
- Certain large networks, including Bitcoin and Ethereum, are still developing solutions to address fundamental speed, scalability and energy efficiency issues. If these issues are not resolved or fail to achieve broad adoption, it could adversely affect their long-term utility and market acceptance;
- Many blockchain networks have limited operating histories, have not been fully validated under sustained commercial usage, and are still developing governance structures and technical parameters that will affect their supply, issuance, functionality and governance, any of which could adversely affect the relevant digital assets;
- Security incidents, coding errors and vulnerabilities have been discovered in various blockchain networks and exploited by malicious actors, resulting in loss of assets, network downtime or reputational harm. If a malicious actor or botnet obtains a majority of the computing or staking power in a network, it may manipulate transactions or disrupt network operations, which could materially impair the value and usability of the related digital asset;
- Industry shifts, such as concentration of mining, which is the process of validating transactions and securing blockchain networks through computational work, or staking power among a small number of participants, may reduce network security, affect decentralization and liquidity, and influence market prices;

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- Some digital assets have concentrated ownership or centralized control features, such as “admin keys”, enabling a small group of holders or developers to make unilateral decisions on governance, protocol changes or other matters, potentially affecting market confidence and stability;
- The rapid and continuous evolution of technologies in the digital asset market requires us to adapt promptly to emerging infrastructure, protocols and security standards. Our failure to keep pace with such technological advancements may undermine our platform performance and long-term competitiveness;
- The governance of many decentralized blockchain networks relies on voluntary participation, open-source contributions and consensus-building, without formal compensation structures for developers. This can lead to uncertainty in governance, insufficient resources for network maintenance, or inability to address technical challenges promptly; and
- Many blockchain networks are in early stages of forming commercial partnerships, integrations and user communities, and such initiatives may fail to achieve intended adoption or utility.

Technical issues in blockchain networks have, from time to time, caused disruptions to certain functionalities, exposed user information, or resulted in the theft of users’ assets. Resolution of such incidents often requires coordinated action from global communities of developers, validators and users, which may not be timely or successful.

As a onshore digital asset trading platform operator in Asia with operations in different jurisdictions, we depend on the continued growth, stability and security of these underlying blockchain networks to facilitate compliant trading, custody and related services for our clients. Material adverse developments in these networks, whether technical, governance-related, security-related, or regulatory, may reduce market activity, limit product offerings in certain jurisdictions, or negatively impact investor confidence, which in turn could adversely affect our business, operating results and financial condition.

***Any cyberattack or security breach of our platform, or those affecting our customers or third-party partners, could materially and adversely affect our brand, reputation, business, operating results and financial condition.***

We operate onshore digital asset trading platforms and facilitation services in multiple jurisdictions. Our operations involve the collection, storage, processing and transmission of confidential information, including customers’ personal data, KYC/AML information, and credentials required to access their digital assets and fiat funds. In Hong Kong and other jurisdictions, we hold client assets in segregated accounts with licensed custodial arrangements, using a combination of cold and hot wallets with multi-signature and layered access controls. We have built our reputation on providing a secure and compliant environment for institutions, professional investors, and eligible retail customers to trade, store and transfer

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digital assets. Any actual or perceived breach of our systems, custodial wallets, APIs, or security protocols, whether caused by us or by our regulated custodians, liquidity providers, technology vendors, or other third-party partners, could:

- harm our brand and reputation;
- incur significant remediation and system restoration costs;
- cause loss or theft of customers' digital assets or fiat funds held in segregated custody;
- disrupt the operation of our matching engine, wallet infrastructure, or client interfaces;
- reduce customer confidence and trading activity;
- result in the improper disclosure of personal or transactional data, potentially breaching applicable data protection and privacy laws;
- lead to regulatory investigations, sanctions, fines, penalties or other legal liabilities in one or more jurisdictions;
- divert management attention from our strategic and operational priorities; and
- require compensation or contractual penalties to affected customers or partners.

Cybersecurity incidents affecting other regulated financial institutions or digital asset platforms, even without direct impact on us, could undermine confidence in the broader digital asset market, reduce trading activity, or negatively affect the perceived effectiveness of our security controls. Globally, cyberattacks on financial institutions, technology providers and digital asset companies are increasing in frequency and sophistication, often involving criminal organizations or highly skilled individuals with substantial resources. Attack methods, including hacking, phishing, credential theft, API exploitation, and social engineering, evolve continuously and may be difficult to detect in real time. Some threats remain dormant until activated, making prevention more challenging. Such attacks may target our own systems, wallet infrastructure, cloud service providers, or other critical vendors in our technology stack.

As advised by the local counsels in our major jurisdictions where applicable, based on their due diligence, we have put in place policies and procedures in compliance with the applicable laws and regulations relating to cybersecurity, data security and personal information protection in major jurisdictions where applicable in all material aspects during the Track Record Period and up to the Latest Practicable Date. Our internal control consultant also confirmed that in connection with internal control on data security and privacy, no material deficiencies identified during its review period have not been addressed or remedied. However, no system, regardless of its design or security measures, can guarantee absolute protection

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against all potential threats or vulnerabilities. We have, from time to time, detected and mitigated attempted intrusions, and we expect such attempts to continue. Meeting our security and compliance obligations across multiple regulatory regimes requires significant ongoing investment in technology, personnel, and processes, and these costs are expected to increase over time. During the Track Record Period, we did not experience any material cybersecurity incident that resulted in loss to our platform or our customers' assets.

Our insurance coverage may not be sufficient to cover all losses or liabilities arising from cyberattacks, data breaches or other unlawful activities, or the business disruptions they cause. Any prolonged outage, data compromise, or loss of client assets could materially and adversely affect our reputation, customer trust, business, operating results and financial condition.

***We operate in a highly competitive industry and compete against both onshore and offshore companies, some of which have greater financial and other resources. Our business, operating results and financial condition may be adversely affected if we are unable to respond effectively.***

The digital asset industry is highly innovative, rapidly evolving, and characterized by intense competition, experimentation, shifting customer preferences, frequent introduction of new products and services, and evolving industry and regulatory requirements. We expect competition to intensify as existing and new market participants launch new offerings or enhance existing ones. We face competition from both Hong Kong-based and overseas companies, including traditional financial institutions expanding into digital assets and companies focused primarily on digital asset services. We expect competitive pressure to continue to intensify as existing and new competitors launch new offerings, enhance user incentives, or deploy emerging technologies such as cross-chain trading, decentralized liquidity aggregation and tokenised asset issuance.

Our most significant competitive pressure to date has come from offshore companies located outside Hong Kong, yet offer products and services to customers, including those in highly regulated markets, without holding the necessary local licences or meeting equivalent compliance standards. These competitors have been able to operate from offshore locations while marketing a broad range of products and services to customers in jurisdictions where such offerings would normally require regulatory authorization. In contrast, as an onshore platform in Hong Kong and other regulated jurisdictions, we are required to meet stringent compliance, risk management and operational standards, which imposes additional compliance for our product and service offerings.

Our commitment to compliance, and related customer onboarding and due diligence requirements, has in some cases led customers to transfer funds or digital assets to these competitors, who are not subject to comparable standards. We also incur substantial managerial, operational and compliance costs to maintain adherence to regulatory requirements in Hong Kong and other markets in which we operate, costs that offshore or lightly regulated

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## RISK FACTORS

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competitors may not face. For the six months ended June 30, 2025, our compliance costs incurred were estimated to be approximately HK\$130 million, including labor costs related to compliance requirements, professional fees, insurance premiums, and other related expenses.

In addition, given the breadth of our product and service offerings, we also compete with, and expect increasing competition from, digital and mobile payment companies and traditional financial services providers. Many innovative start-ups and larger established firms continue to make significant investments in research and development and may introduce products and technologies that directly compete with ours. As adoption of digital assets increases, more traditional financial and non-financial services companies may launch digital asset services. Competitors may also form strategic alliances or partnerships that enhance their capabilities and market reach. Our existing and potential competitors may enjoy various advantages over us, including, but not limited to:

- stronger brand recognition, longer operating history, larger customer base, and greater market share;
- the ability to support or trade a broader range of digital assets and offer products we cannot list or provide due to regulatory restrictions, banking partner requirements, or other factors;
- more established banking, compliance and institutional relationships;
- larger sales, marketing and business development budgets;
- lower operating, compliance, risk management, and R&D costs;
- diversified core businesses beyond digital asset trading, allowing them to operate at lower margins or at a loss in certain segments;
- more extensive intellectual property portfolios;
- greater resources for customer support;
- greater capacity to make acquisitions;
- operations in jurisdictions with lower compliance costs and greater flexibility to launch new products; and
- substantially greater financial, technological and human resources.

If we are unable to compete successfully across both centralized and decentralized market segments, or if responding to competitive pressures requires significant investment in technology, partnerships, or compliance resources, our business, operating results and financial condition could be materially and adversely affected.

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## RISK FACTORS

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*If we cannot keep pace with rapid industry changes to provide new and innovative products and services within applicable regulatory frameworks, the use of our products and services, and consequently our revenue, could decline, which could adversely affect our business, operating results and financial condition.*

The digital asset industry has experienced rapid, significant and disruptive innovation in recent years. These have included decentralized applications (DApps), decentralized finance (DeFi) protocols, yield farming, staking, token wrapping, governance tokens, trading incentives such as transaction fee mining, trading competitions, airdrops and giveaways, staking reward programmes, and new fundraising and token distribution models, such as initial exchange offerings (IEOs). We expect new services, business models and technologies to continue to emerge and evolve, some of which may offer superior functionality or customer appeal, or may render obsolete certain products and services we currently offer.

Our ability to grow our customer base and revenue depends heavily on our capacity to innovate and introduce compliant, market-relevant products and services, whether developed internally or in partnership with third-party service providers. Developing and integrating new offerings into our onshore platform operations requires significant investment, time, and careful alignment with regulatory requirements in Hong Kong and other jurisdictions in which we operate. There can be no assurance that such products will succeed in attracting customers, generating revenue, or integrating seamlessly with third-party applications and systems.

We may also face constraints in adapting to and competing with new products and services due to licensing and regulatory requirements, product limitations imposed by our banking partners, custodians or payment processors, intellectual property rights of third parties, and our commitment to maintaining rigorous risk management, compliance and security standards. These factors may limit our flexibility to replicate certain features or incentives offered by offshore competitors, even where there is customer demand.

To remain competitive and serve a broad spectrum of clients, we must continue to enhance our core technology infrastructure, including our matching engine, API connectivity, wallet architecture, risk management systems, and cybersecurity protocols. This requires ongoing, and in some cases substantial, capital and operating expenditures. Our success will depend on our ability to develop and launch new offerings and adapt to technological changes and evolving industry practices, while ensuring compliance with the relevant regulatory frameworks in each jurisdiction where we operate. If we fail to do so in a timely or cost-effective manner, our competitiveness, our ability to retain existing customers, attract new customers, and sustain our revenue growth may be materially and adversely affected.

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## RISK FACTORS

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*Our ability to retain customers and maintain customer engagement is critical to our business, and any decline may adversely affect our brand recognition and financial conditions.*

Our long-term success depends on our ability to retain existing customers, maintain active engagement and expand our customer base across the jurisdictions where we operate. There is no assurance that we will be able to retain our current customers or keep them engaged at the same levels in the future. Any number of factors can negatively affect customer retention and engagement, including if:

- we fail to introduce new and improved products and services, or if we introduce new products or services that are not favorably received;
- we fail to support new and in-demand digital assets or if we elect to support digital assets with negative reputations;
- customers increasingly engage with competing products and services, including products and services that we are unable to offer due to regulatory reasons;
- there are adverse changes in our products and services that are mandated by legislation, regulatory authorities, or litigation;
- there are changes in sentiment about the quality or usefulness of our products and services or concerns related to privacy, security, or other factors;
- technical or other problems prevent us from delivering our products and services with the speed, functionality, security, and reliability that our customers expect;
- cybersecurity incidents, employee or service provider misconduct, or other unforeseen activities that cause losses to us or our customers, including losses to assets held by us on behalf of our customers;
- customers perceiving the digital assets on our platform to be bad investments, or experiencing significant losses in investments made on our platform;
- modifications to our pricing model or modifications by competitors to their pricing;
- we fail to provide adequate customer service to customers; or
- we or other companies in our industry are the subject of adverse media reports or other negative publicity.

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## RISK FACTORS

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From time to time, certain of these factors have negatively affected customer retention, growth, and engagement to varying degrees. If we are unable to maintain or increase our customer base and customer engagement, our revenue and financial results may be adversely affected. Any decrease in user retention, growth, or engagement could render our products and services less attractive to customers, which may have an adverse impact on our revenue, business, operating results, and financial condition. If our customer growth rate slows or declines, we will become increasingly dependent on our ability to maintain or increase levels of user engagement and monetization in order to drive growth of revenue.

***We are subject to risks associated with our omnibus account arrangements.***

For omnibus customers, we are responsible solely for onboarding the omnibus entity itself and do not conduct any KYC or AML checks on the underlying end-users, nor do we collect or maintain any personal data of such end-users, as we are not permitted to look through the omnibus structure under the applicable regulatory framework. Consistent with this model, we also do not perform verification of source of funds for the end-users of omnibus customers, as such verification is the responsibility of the omnibus customer. All digital assets attributable to the end-users are legally and operationally held under the omnibus customer's account on our platform. When onboarding an omnibus customer, we follow a dedicated due diligence process, and the omnibus customer is required to undertake and warrant that it will independently perform all KYC and AML checks on its own retail clients. Despite these efforts, this structure nevertheless carries inherent risks, including our reliance on the omnibus customer's internal KYC/AML controls, our lack of direct visibility over end-users, and the possibility that an omnibus customer may develop its own platform or otherwise reduce its reliance on us, any of which may adversely affect our customer base, regulatory compliance or overall business performance.

***Loss or reduction of critical banking or insurance relationships could disrupt our operations and expose us to heightened regulatory and financial risks.***

We rely on banking relationships to support our digital asset trading and custodial operations. In particular, fiat funds held by our customers are maintained in segregated accounts with one or more of our regulated banking partners. Establishing and maintaining banking relationships can be challenging, as some financial institutions apply restrictive internal policies to digital asset businesses, and certain prior banking partners have terminated or limited our access to their services.

As of June 30, 2025, we have been working with multiple banking partners, including two international banks, a local digital bank in Hong Kong, and an established bank in Singapore. If we lose one or more key banking partners, or if operational restrictions are imposed by such partners, and we are unable to transition to alternative financial institutions in a timely manner, we may face disruptions to our ability to process fiat deposits, withdrawals, settlements and other related services. Such disruptions could adversely affect customer experience, trading volumes and our regulatory compliance obligations. In addition, financial institutions in Hong

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## RISK FACTORS

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Kong and other jurisdictions in which we operate may, due to evolving regulatory requirements or their risk assessments of the digital asset sector, decline to provide account, custody or payment services to us or to the digital asset industry more generally.

We also rely on insurance arrangements to protect against certain customer losses arising from events such as breaches of our physical or cybersecurity, or theft by employees or service providers. Our ability to obtain and maintain appropriate insurance coverage depends on the underwriting criteria of insurance carriers, which may change based on market conditions or perceptions of digital asset industry risks. If we are unable to secure adequate insurance coverage on acceptable terms, we may be exposed to higher operational and financial risks in the event of a loss, which could result in substantial business disruption, reputational harm, reduced competitiveness and heightened regulatory scrutiny.

***Any significant disruptions to our products and services, information technology systems, or the blockchain networks we support, including risks arising from multi-chain and cross-chain operations, could result in loss of customers or funds and materially harm our brand, reputation, business, operating results and financial condition.***

Our reputation, our ability to attract and retain customers, and our business growth depend on operating our platforms at high levels of reliability, scalability and performance, including the capacity to process and monitor, on a daily basis, a high volume and frequency of transactions across multiple systems and markets. Our customers' ability to trade, our custodian services, and the overall operation of our platforms depend on our systems' stable access to the blockchain networks underlying the digital assets we support, which in turn rely on uninterrupted internet connectivity and the continued functioning of networks of nodes, miners or validators. Any service interruptions or performance degradation in these blockchain networks could affect our operations.

Our systems, those of our third-party service providers and partners, and the blockchain networks we support did not experience any material service interruptions or degradation. Nonetheless, we cannot assure you that we may in the future experience such interruptions or degradation due to hardware or software defects, cyberattacks, including distributed denial-of-service attacks, insider threats, sabotage, human error, vandalism, natural disasters, power losses, telecommunications disruptions, fraud, military or political conflicts, or other disruptive events. Extraordinary trading volumes or surges in platform usage could also cause our systems to slow significantly or fail. Some of our systems, or those of our third-party providers, are not fully redundant, and existing disaster recovery plans may not address all possible outcomes.

Given that we support multiple blockchain networks and are developing on-chain and cross-chain solutions, our operational resilience depends not only on the performance of each individual network but also on the interoperability mechanisms between them. Disruptions in one chain's consensus process, upgrades, forks, or network attacks could have cascading

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## RISK FACTORS

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effects on connected services or cross-chain transactions, potentially amplifying operational and settlement risks. Integration with multiple protocols also increases our exposure to external code vulnerabilities, delayed network confirmations, and incompatibility issues following third-party network changes.

If any of our systems, or those of our third-party service providers, experience disruption, our products and services may fail, causing delays in trade execution or settlement, incomplete or inaccurate transaction processing, loss of customer information, unauthorized transactions, or increased demand on customer support. Such incidents could lead to customer claims, regulatory complaints, lawsuits or enforcement actions. Frequent or prolonged interruptions could lead customers and partners to perceive our systems as unreliable, prompting them to reduce or cease use of our services, switch to competitors, or avoid our platforms entirely. The resulting reputational damage, remediation costs, and potential compensation claims, even if ultimately unsuccessful, could materially affect our business and financial condition.

We continually invest in improving and upgrading our information systems and technology infrastructure, including trading engines, custody solutions, APIs, and risk management tools. Implementation of new systems is complex, costly, and time-consuming, and there is no assurance such projects will succeed or perform as intended. Failure to timely implement, upgrade or integrate systems effectively could impair our internal controls, reduce platform performance, and adversely affect our business, operating results and financial condition.

***We currently use third-party service providers for certain aspects of our operations, and any interruptions in services provided by these third parties may impair our ability to support our customers.***

We engage third-party service providers, such as leading cloud service providers in China, and established insurance companies based in the UK and Hong Kong, to support a range of critical business and operational functions, including technology infrastructure, compliance support and other operational support services. These services are integral to the operation of our onshore digital asset trading platforms. Since these services are provided by third parties, we face increased operational risks that we do not fully control. Third-party may be subject to financial distress, regulatory or legal issues, labor disputes, cybersecurity incidents, service outages, data breaches, malicious attacks, or other misconduct. They are also exposed to risks such as human error, power or telecommunications failures, fires, floods, earthquakes, pandemics, or other natural and man-made disasters.

In addition, third-party providers may breach their contractual obligations, disagree with our interpretation of contractual or legal requirements, refuse to continue or renew their services on commercially reasonable terms, fail to process transactions or deliver services adequately, or take actions that impair the functionality of our platform. Some providers could impose additional costs or operational requirements on us or our customers, or give preferential treatment to competitors.

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## RISK FACTORS

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Moreover, our trading platform depends on external liquidity providers to support order book depth and facilitate efficient trade execution. If these liquidity providers reduce their activity, face financial or operational difficulties, or terminate their arrangements with us, we may experience wider bid-ask spreads, lower trading volumes and reduced customer satisfaction. Given that liquidity is a key competitive factor for exchanges, any disruption in access to reliable liquidity could directly and adversely affect our market competitiveness and trading revenues.

There can be no assurance that our third-party service providers will continue to provide services to us or to our customers on acceptable terms, or at all. If a key service provider, for example, a data center, a liquidity provider or digital asset custody partner, discontinues services without adequate notice, fails to restore operations and data in a timely manner, experiences prolonged outages, or otherwise fails to perform as expected, we may not be able to source suitable alternatives quickly, on acceptable terms, or without disruption.

Any material interruption, failure or deficiency in the services provided by third parties could result in operational downtime, customer dissatisfaction, loss of trading volume, reputational harm, legal or regulatory proceedings, or other adverse consequences. Given our regulatory obligations and the nature of our operations, replacing or transitioning away from a critical service provider often requires extensive due diligence, technical integration, and regulatory approvals, which could further prolong the disruption and increase associated costs.

***Our asset management services may be highly volatile and our capabilities to raise new funds could be adversely affected if the performance of our investments does not meet the expectation.***

We provide asset management services that include venture capital investments in the digital asset and fintech sectors. The performance of these investments depends on the ability of portfolio companies to successfully commercialize their products, scale their operations, and achieve liquidity events such as trade sales or public listings. There is no assurance that such exits will occur within expected timelines, or at all, and valuations of these investments may fluctuate significantly.

Moreover, given the illiquid nature of venture capital investments, we may not be able to divest or reallocate capital efficiently in response to market changes. As a result, the financial results of our asset management business may vary substantially from period to period, which could negatively affect our overall profitability and increase the volatility of our results of operations.

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## RISK FACTORS

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***Failure to safeguard and properly manage customers' fiat currencies and digital assets could materially and adversely affect our business, operating results and financial condition.***

As of September 30, 2025, our digital asset exchanges had facilitated HK\$1.3 trillion in cumulative spot trading volume, positioning us as an established onshore digital asset exchange provider in Asia. Supported digital assets are not insured or guaranteed by any government or governmental agency. We have also entered into partnerships with third parties under our exchange services. As our business expands and our product and service offerings grow, we must continue to strengthen our internal control framework to maintain public confidence in the security and integrity of customer balances, large trading volumes, and growing asset values. Our reliance on the operational stability, liquidity and financial soundness of certain partners further compounds this risk. Any failure by us or our partners to maintain necessary controls, or to manage customer assets in compliance with applicable laws and regulations, could lead to significant penalties, regulatory restrictions, financial losses, customer attrition, and reputational harm.

We custody, transfer, and manage customer fiat currencies and digital assets across multiple jurisdictions. In each case, we are required to apply bank-level security standards to both hot and cold wallet infrastructure, as well as to our financial management systems. Our security architecture is designed to prevent, detect, and mitigate internal or external attempts to gain unauthorized access to customer assets. We have implemented administrative, technical, and physical safeguards designed to comply with applicable legal requirements and recognized industry standards. Nevertheless, malicious actors, including hackers, rogue employees, service providers, or others, may circumvent these safeguards to improperly access, misappropriate, or misuse customer assets. The methods used to compromise systems are constantly evolving, making them difficult to anticipate or detect in a timely manner.

Our fidelity and crime insurance coverage is limited and may not fully compensate us for the magnitude or type of loss incurred. Our ability to maintain such insurance depends on meeting insurers' underwriting criteria, and any major incident could lead to loss of coverage. A material loss of customer assets could therefore cause severe business disruption, regulatory investigations, enforcement actions, litigation, reputational damage, and a diminished ability to compete. For more details, see “— We may not have sufficient insurance coverage to cover our business risks.”

Additionally, transactions conducted via our websites, APIs, or other digital channels may be vulnerable to fraud, phishing, hacking, or other deceptive practices. Any incident involving the compromise of customer assets could trigger substantial remediation costs, regulatory reporting obligations, enforcement actions, restrictions on our operations, and a loss of customer trust, each of which could materially and adversely affect our business, operating results, financial condition, and cash flows.

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***Loss, compromise, or destruction of wallet management measures, whether for our own assets or customers' assets, may be irreversible and could result in significant losses, regulatory scrutiny, and reputational harm.***

We have implemented multiple layers of security controls, including redundancy, segregation of duties and cold storage practices. For instance, digital assets are generally controllable only by the holder of the unique private key associated with the digital wallet in which such assets are stored. While blockchain protocols typically require public addresses to be visible when a transaction is made, private keys must remain secure and confidential to prevent unauthorized access. If any private key relating to our hot or cold wallets, containing assets held either for our own account or on behalf of customers, is lost, destroyed, compromised, or otherwise rendered inaccessible, and no backup is available, the affected assets may become permanently unrecoverable. We have obtained insurance coverage for our hot and cold wallets to protect against user losses and mitigate our liability exposures arising out of a code incident, crime loss, smart contract code incident, or other related incidents. However, we cannot assure you that such insurance coverage will be sufficient.

After consultation with local counsels in our major jurisdictions, our Company is of the view that our internal measures on fraud prevention, asset safeguarding and private-key management were sufficient to protect users' assets in all material aspects, and the risk of material loss arising from fraud or inaccessible private keys was remote during the Track Record Period and up to the Latest Practicable Date. However, we cannot guarantee that such measures will completely eliminate the risk of compromise. Digital asset wallets and blockchain infrastructure have been, and may continue to be, targeted by sophisticated hacking, phishing and other malicious activities. Any such incident could result in the loss of assets on platforms, force us to reimburse affected customers, and cause material financial losses in excess of our available insurance coverage. Moreover, the aggregate value of digital assets in our possession and control significantly exceeds the total value of applicable insurance that could be recovered in the event of theft or loss. A major incident could therefore have a severe financial impact, trigger regulatory investigations and enforcement actions, damage our brand and reputation, and materially and adversely affect our business, operating results, and financial condition.

***Regulatory complexities and market acceptance challenges may hinder our ability to successfully promote tokenisation services to traditional financial institutions.***

We are actively developing tokenisation services to enable the representation of financial and real-world assets on blockchain networks. While tokenisation has the potential to improve settlement efficiency, transparency and accessibility of financial markets, its widespread adoption by traditional financial institutions remains uncertain. Regulatory frameworks applicable to tokenisation are still evolving across the jurisdictions where we operate, and may impose complex licensing, disclosure, and operational requirements that could restrict our ability to structure and offer tokenisation solutions.

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In addition, tokenisation requires the support of a broad ecosystem, including issuers, custodians, exchanges, investors and regulators. Market participants may be hesitant to adopt tokenised instruments due to concerns regarding technology maturity, operational integration, or regulatory treatment. If tokenisation does not achieve meaningful adoption in the near to medium term, or if we are unable to build sufficient partnerships with traditional financial institutions, the commercial potential of this business line may be significantly constrained. Consequently, our efforts and investments in tokenisation could fail to generate expected returns, which may adversely affect our growth strategy and financial condition.

***The operation of our Layer 2 public blockchain exposes us to technological, governance and adoption risks that may adversely affect our business and financial conditions.***

We maintain and operate a public blockchain infrastructure, the HashKey Chain, an Ethereum Layer 2 network designed to support our business activities and provide services to our customers. Operating a public blockchain requires significant technical resources, continuous development and security management. Any material malfunction, coding error, vulnerability in consensus mechanisms or smart contracts, or failure of validators to operate reliably could impair the proper functioning of the network, potentially resulting in loss of customer confidence, service disruptions, or financial losses.

In addition, operating a public blockchain exposes us to adoption risks. The success of HashKey Chain depends on our ability to attract developers, partners and users to build and transact on the network. If the blockchain fails to gain sufficient adoption, or if competitors' Layer 2 networks prove more scalable, efficient, or secure, our ability to leverage HashKey Chain as a differentiating factor in our platform ecosystem could be undermined. Furthermore, as the blockchain operates publicly, it may be subject to cybersecurity attacks or malicious behaviors that could impact its credibility.

Our operation of HashKey Chain also raises regulatory and compliance risks. As public blockchain activities increasingly attract regulatory scrutiny, there is uncertainty as to whether additional licensing, disclosure, or operational requirements may apply to our blockchain infrastructure in Hong Kong or other jurisdictions we operate. Any regulatory reclassification or adverse policy development could require us to incur significant compliance costs, restrict the permissible scope of our blockchain operations, or otherwise limit the utility of HashKey Chain.

Moreover, maintaining and scaling a Layer 2 blockchain requires substantial ongoing investment in technology, infrastructure, and ecosystem development, without assurance of achieving a sustainable return. If we are unable to secure sufficient developer adoption, liquidity, and transaction activity, or if we are required to reduce or discontinue support for HashKey Chain, our reputation, customer trust and overall business performance may be materially and adversely affected.

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*We, our Directors, management, employees, and shareholders, as well as their affiliates may be subject to legal, regulatory, administrative proceedings, litigation, lawsuits, investigations and enforcement or disciplinary actions by regulators and governmental authorities in the future.*

We have been, are currently, and may from time to time become subject to claims, arbitrations, lawsuits, and governmental or regulatory investigations, inquiries, enforcement or disciplinary actions or requests in the jurisdictions in which we operate or offer services on a cross-border basis. These matters may relate to customer disputes, employment matters, alleged violations of laws, rules or regulations, data privacy and cybersecurity incidents, AML requirements, sanctions compliance, or other aspects of our operations as an onshore digital asset trading platform. The scope, timing, outcome and potential financial or operational impact of such claims, disputes, and proceedings cannot be predicted with certainty, and could result in:

- significant legal and professional fees and related costs;
- substantial payments to satisfy judgments, fines or penalties;
- suspension, loss or non-renewal of existing licences or authorisations, or prohibition from or delays in obtaining new licences or authorisations;
- imposition of additional compliance or licensing requirements;
- criminal sanctions or regulatory consent orders;
- diversion of management resources and disruption to business operations;
- termination or removal of certain employees, including members of our senior management;
- disqualification of certain personnel from participating in our business;
- modifications to our business model, operational procedures or product offerings;
- regulatory or judicial orders restricting our business or prohibiting certain products or services;
- delays or cancellations of planned transactions, product launches or enhancements; and
- damage to our brand, reputation and customer confidence.

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Given the nature of the digital asset industry, the public profile of our platform, and the evolving regulatory landscape across the multiple jurisdictions where we operate, we may be subject to lawsuits, contract disputes, employment-related claims, intellectual property disputes, regulatory investigations, or other legal and administrative proceedings, and enforcement or disciplinary actions in one jurisdiction may prompt parallel or follow-on actions in other jurisdictions where we operate. These matters could arise from, among others, customer complaints, counterparty disputes, commercial transactions, securities-related matters, labor and employment issues, and alleged violations of applicable AML, counter-terrorism financing (“CTF”), anti-bribery, anti-corruption, sanctions, or other regulatory requirements. Any such proceedings could result in substantial costs, including legal fees, investigation expenses, and possible settlements, judgments, penalties, or fines. They may also require significant commitments of management time and internal resources, diverting attention from our core operations. Even unsubstantiated claims can attract negative publicity, erode market confidence, and damage our relationships with customers, business partners, and regulators, regardless of the ultimate outcome.

In particular, we and our Directors or officers could become targets of shareholder litigation or other lawsuits brought against them in connection with their roles at HashKey or other entities. We may be required to indemnify our Directors or officers in connection with such proceedings, which could further increase our financial exposure. We cannot assure you that we or our Directors or officers will prevail in any such matters or avoid settling them on unfavorable terms. Adverse outcomes could result in the payment of substantial damages or fines, changes to our business practices, operational restrictions, or loss of licenses or authorizations.

Furthermore, our operations involve inherent risks of disputes relating to intellectual property rights, technology usage, and platform features. Any unfavorable outcome in such disputes could lead to financial liabilities, operational disruptions, or reputational harm. Given the uncertainty, complexity, and potentially protracted nature of these matters, we may be unable to predict their ultimate outcome with reasonable certainty, and any provisions we make may prove inadequate. Though we successfully defend against such proceedings, the process could still result in significant legal and compliance costs, reputational damage, and reduced ability to attract and retain customers, business partners, or talent, as well as potentially impair our ability to expand our business internationally.

Regardless of the outcome, litigation, regulatory investigations and enforcement actions can result in material adverse effects on our business, operating results and financial condition due to legal costs, management distraction, reputational harm, and operational changes required to comply with settlements or orders. For more details, please see “Business — Legal Proceedings and Compliance.”

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*Any failure by us, our employees, or our business partners to comply with applicable anti-money laundering, counter-terrorism financing, anti-bribery, export control, economic and trade sanctions, and similar laws could result in severe penalties, reputational harm, and adverse effects on our operations and financial condition.*

We operate in multiple jurisdictions and are subject to a complex framework of AML, CTF, anti-bribery, export control, economic and trade sanctions, and other relevant laws and regulations. These include, among others, requirements set by regulators in Hong Kong and other markets where we or our business partners operate. Such laws and regulations generally prohibit, among other things, the transfer of proceeds from criminal activities, the financing of terrorism, bribery and corruption, and the unauthorized import, export, or provision of controlled products, services and technologies.

The compliance measures we took to comply with the the complex legal framework require substantial investment in specialized systems, personnel training, and ongoing oversight, and must be adapted to meet evolving legal standards in different jurisdictions.

Despite these efforts, there is no assurance that our policies and procedures, or those of our business partners, will be fully effective in preventing our platform or services from being misused for illicit purposes such as money laundering, terrorism financing, bribery, corruption, or sanctions evasion. Any actual or perceived failure to comply with applicable AML, CTF, anti-bribery, export control, or sanctions requirements, whether due to deficiencies in implementation, evolving regulatory expectations, or misconduct by our employees, subsidiaries, contractors, or counterparties, could result in investigations, enforcement actions, substantial monetary penalties, regulatory sanctions, restrictions on our business activities, heightened compliance obligations, or loss of licenses or authorizations.

In addition to direct financial and operational consequences, any such incidents could cause significant harm to our brand and reputation, erode customer trust, and adversely impact our ability to maintain banking, payment, and other critical business relationships. These effects, individually or in combination, could materially and adversely affect our business, operating results, and financial condition.

*Our long-term success depends, in part, on our ability to expand our sales to customers globally and our ability to maintain our international operations. Failure to do so may adversely impact our business, operating results and financial condition.*

Our success depends on our ability to attract new customers globally. We currently have subsidiaries in a few jurisdictions and we plan to enter into or increase our presence in additional markets around the world. To do so, we must continue to offer leading technologies and ensure that our products and services are secure, reliable and engaging. We must also expand our products and services and offer effective prices in an increasingly crowded and price-sensitive market. However, our operating history in these markets is limited, and successfully managing and expanding our international operations requires significant management attention and resources. Such expansion also presents unique challenges,

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including operating in diverse cultural, linguistic and business environments, navigating varying tax regimes, legal frameworks and alternative dispute resolution systems, and complying with a wide range of regulatory requirements. As we continue to expand our business and customer base globally, we will be increasingly susceptible to risks associated with international operations. These risks and challenges include, but are not limit to:

- difficulty in establishing and managing international operations and the increased operations, travel, infrastructure, including establishment of local customer service operations, and legal and regulatory compliance costs associated with different jurisdictions;
- the need to vary pricing and margins to effectively compete in international markets;
- the need to adapt and localize our products and services for specific countries, including offering services and support in local languages;
- compliance with multiple, potentially conflicting and changing governmental laws and regulations across different jurisdictions;
- compliance with Hong Kong and foreign laws designed to combat money laundering and the financing of terrorist activities, as well as economic and trade sanctions;
- difficulties in obtaining required licensing from regulators in foreign jurisdictions;
- competition with companies that have greater experience in the local markets, pre-existing relationships with customers in these markets or are subject to less regulatory requirements in local jurisdictions;
- varying levels of payments and blockchain technology adoption and infrastructure, and increased network, payment processing, banking, and other costs;
- difficulties in collecting in foreign currencies and associated foreign currency exposure;
- difficulties in holding, repatriating, and transferring funds held in offshore bank accounts;
- difficulties in enforcing contracts and collecting accounts receivable, longer payment cycles and other collection difficulties;
- restrictions on digital asset trading;
- stringent local labor laws and regulations;
- potentially adverse tax developments and consequences;

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- antitrust and competition regulations; and
- global economic and political conditions.

Therefore, we cannot assure you that our efforts to maintain our international operations will be successful. Any failure to effectively manage these international risks and challenges could materially and adversely affect our ability to grow our business, our operating results, and our financial condition.

***Our business and operations have experienced significant growth, and if we do not effectively manage our growth, or are unable to improve our systems and processes, our operating results will be negatively affected.***

We have significantly expanded our operations in recent years, both in terms of employee headcount as well as trading volume. For example, we have grown from 190 employees as of December 31, 2022 to 371 employees as of June 30, 2025. We expect such growth to continue for the foreseeable future. As we grow, our business becomes increasingly complex. To effectively manage and capitalize on our growth, we must continue to expand our information technology and financial, operating, and administrative systems and controls, and continue to manage headcount, capital, and processes efficiently. Our continued growth could strain our existing resources, and we could experience ongoing operating difficulties in managing our business as it expands across numerous jurisdictions, including difficulties in hiring, training, and managing a diffuse and growing employee base. Failure to scale and preserve our company culture with growth could harm our future success, including our ability to retain and recruit personnel and to effectively focus on and pursue our corporate objectives. If we do not adapt to meet these evolving challenges, or if our management team does not effectively scale with our growth, we may experience erosion to our brand, the quality of our products and services may suffer, and our company culture may be harmed. Moreover, the failure of our systems and processes could undermine our ability to provide accurate, timely, and reliable reports on our financial and operating results, including the financial statements provided herein, and could impact the effectiveness of our internal controls over financial reporting. In addition, our systems and processes may not prevent or detect all errors, omissions, or fraud. Any of the foregoing operational failures could lead to noncompliance with laws, loss of operating licenses or other authorizations, or loss of bank relationships that could substantially impair or even suspend company operations.

Successful implementation of our growth strategy will also require significant expenditures before any substantial associated revenue is generated and we cannot guarantee that these increased investments will result in corresponding and offsetting revenue growth. Because we have a limited history operating our business at its current scale, it is difficult to evaluate our current business and future prospects, including our ability to plan for and model future growth. Our limited operating experience at this scale, combined with the rapidly evolving nature of the digital asset market in which we operate, substantial uncertainty

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concerning how these markets may develop, and other economic factors beyond our control, reduces our ability to accurately forecast quarterly or annual revenue. Failure to manage our future growth effectively could have an adverse effect on our business, operating results, and financial condition.

***Our strategic focus on providing secure, compliant, and user-friendly digital asset financial services may not maximize short- or medium-term results.***

We have taken and expect to continue to take actions that we believe are in the best interests of our customers and the long-term development of our business, even if such actions do not necessarily maximize short- or medium-term financial performance. These include committing substantial managerial, technical, compliance, and legal resources to ensure our products and services meet applicable legal and regulatory requirements across the jurisdictions in which we operate, as well as maintaining high standards of security and operational resilience.

We also prioritize customer trust and long-term engagement by investing in innovation and the development of secure, easy-to-use, and competitive products and technologies, even where this requires significant upfront investment or limits the immediate range of services we can offer compared to less regulated competitors. While we believe this approach supports sustainable growth and protects our reputation, it may not align with short- or medium-term expectations of shareholders and may not yield the long-term benefits we anticipate. As a result, our business, operating results, and financial condition could be adversely affected.

***A significant amount of the trading volume on our platform is derived from institutional and high-trading-volume retail customers, and the loss of these customers, or a reduction in their trading volume, could have an adverse effect on our business, operating results, and financial condition.***

A significant proportion of the trading volume and revenue on our platform is generated by institutional and high-trading-volume retail customers. These customers, due to their trading scale, frequency and liquidity provision capabilities, have a substantial impact on the overall activity level of our platform. Our relationships with such customers are not typically governed by long-term contractual commitments, and their continued activity on our platform is subject to numerous factors outside our control. These include their internal trading and investment strategies, changes in market conditions, competitive offerings from other platforms, including offshore or less regulated onshore platforms, adjustments to their risk appetite, regulatory or compliance considerations in relevant jurisdictions, and their perception of our platform's liquidity, execution quality, fees, and overall service level. Any adverse developments in these areas could result in a material reduction or cessation of trading by one or more of these customers.

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Given our focus on operating as a compliant digital asset platform, our ability to attract and retain such customers may also be affected by our adherence to applicable regulatory requirements, including customer due diligence, trading restrictions and reporting obligations, which may limit the range of products or trading pairs we can offer compared to certain competitors. If one or more of our largest customers reduce their trading activity or cease to use our platform, or we are unable to replace the corresponding trading volume and revenue through the acquisition of new customers or the expansion of trading by existing customers, our business, operating results and financial condition could be materially and adversely affected.

*We may not be able to adequately protect or enforce our intellectual property rights, and our efforts to do so may be costly and ultimately unsuccessful. Confidentiality agreements and non-compete covenants may similarly fail to adequately safeguard our trade secrets.*

Our business relies on enhanced technology, including our trading system architecture, blockchain integration solutions, security protocols, user interface design, and related know-how. Protecting these intellectual property rights is critical to maintaining our competitive advantage. We rely on a combination of trademark, trade secret laws, and contractual protections, including confidentiality and non-disclosure agreements with employees, contractors and third-party service providers, to protect our technology and know-how. Despite these measures, unauthorized third parties may gain access to, copy, reverse engineer, or otherwise use our technology without our permission. The risk of such unauthorized use is heightened in the digital asset industry, where open-source components are often used, blockchain code is publicly viewable, and malicious actors are motivated to exploit vulnerabilities for financial gain. Moreover, our competitors may independently develop technologies or solutions that are similar to or better than ours without infringing our rights.

Our intellectual property protection may also be limited in certain jurisdictions that are important to our current or potential operations, as laws and enforcement standards vary, and some jurisdictions provide less protection than others. In addition, we have not pursued an aggressive global patent strategy, which may expose us to greater risk of third-party infringement. Monitoring and addressing potential infringement, misuse, or misappropriation of our technology can be costly, time-consuming, and may divert management's attention from business operations.

Enforcing our intellectual property rights, including through litigation, may result in substantial costs and uncertainty, and could lead to court decisions or regulatory findings that narrow, invalidate, or render our rights unenforceable. If we are unable to effectively protect or enforce our intellectual property rights, our competitive position could be weakened, and our business, operating results and financial condition could be materially and adversely affected.

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In addition, we have invested substantial resources in developing our technology, know-how and other intellectual property. Although we require our employees to enter into confidentiality, non-compete and intellectual property ownership agreements, we cannot assure you that these agreements will not be breached, that adequate remedies will be available in a timely manner, or that our trade secrets will not otherwise become known to, or independently developed by, third parties. Furthermore, if we hire employees who have breached similar obligations to their previous employers, we could face allegations or legal claims that such employees have improperly used or disclosed trade secrets or proprietary information for our benefit. Defending against such claims, or enforcing our own rights, could be costly, time-consuming, and disruptive to our operations. Any failure to effectively protect our trade secrets and proprietary information could weaken our competitive position, harm our business prospects, and adversely affect our operating results and financial condition.

***Claims by third parties for alleged infringement of their intellectual property rights could subject us to costly disputes and adversely affect our business.***

The digital asset and blockchain technology industry in which we operate is evolving rapidly and characterized by the existence of a large number of patents, trademarks, and other proprietary rights, some of which may be of uncertain scope, validity, or enforceability. As a result, there is significant uncertainty as to whether our technology, systems, platform features, security protocols, user interfaces, or other elements of our products and services may infringe, misappropriate, or otherwise violate the intellectual property or proprietary rights of third parties.

We could become subject to claims and litigation alleging infringement of third-party patents, trade secrets, or trademarks. For example, when we hire employees or contractors who previously worked for other technology companies, including potential competitors, there is a risk that such individuals may use or be alleged to have used know-how from their former employers in connection with our business. Such claims, if determined against us, could subject us to significant damages, injunctive relief preventing us from offering certain features or services, or invalidate or render unenforceable our own intellectual property rights. In some cases, even if we believe a claim is without merit, defending against such allegations can be time-consuming, costly, and disruptive to our operations, diverting management's attention from strategic initiatives. In addition, the rapid pace of innovation in blockchain and digital asset technologies increases our exposure to infringement risks, including from non-practicing entities whose primary business model is to assert patent claims for licensing revenue.

If a claim is successful, we may be required to obtain licenses from third parties, which may be unavailable or available only on commercially unreasonable terms, or to develop and implement non-infringing alternatives, which may be costly, technically challenging, or time-consuming. We may also face indemnification obligations to our customers or business partners if their use of our platform results in third-party infringement claims. Any of these outcomes could adversely affect our business, brand, reputation, operating results and financial condition.

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***If we became subject to the U.S. Department of Treasury’s final rule on outbound investment in the future, our ability to raise capital from U.S. persons could be subject to restrictions.***

On October 28, 2024, the U.S. Department of the Treasury issued a final rule on outbound investment, or the Final Rule, to implement the executive order of August 9, 2023. The Final Rule became effective on January 2, 2025. The Final Rule imposes investment prohibition and notification requirements on U.S. persons for certain investments in entities associated with China (including Hong Kong and Macau) that are engaged in certain activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems, collectively defined as “Covered Foreign Persons.” U.S. persons subject to the Final Rule are in some instances prohibited altogether from making, and in other instances required to report, certain investments in Covered Foreign Persons, which are defined as “Covered Transactions.” Notably, President Trump issued the “America First Investment Policy” memorandum on February 21, 2025, which proposes to further expand the set of technologies of concern. We believe we are not a “Covered Foreign Person” as defined in the Final Rule. This is because (i) we are not engaged in any “Covered Activities” specified under the Final Rule and (ii) we do not have the requisite financial relations with other companies engaged in any “Covered Activities” such that we would be a Covered Foreign Person. Although we have certain AI-powered applications and features, we do not develop any AI system as the activity is defined under the Final Rule for prohibited or notifiable transactions. However, if we were in the future deemed to be a Covered Foreign Person due to changes in our business operations or amendments to relevant laws and regulations or the interpretation thereof, our ability to raise capital from U.S. persons could be significantly and negatively affected, in which case the Offer Price of the Ordinary Shares may be materially and adversely affected.

***Uncertainty in obtaining, maintaining and enforcing patents across multiple jurisdictions could limit our ability to protect our technology and platform.***

We may in the future seek to obtain patent protection for certain blockchain, cryptography or digital asset platform technologies that we have developed. However, there is no assurance that our patent applications will result in issued patents. We cannot be certain that we are the first to invent or the first to file patent applications for particular technologies. If another party has filed a patent application covering the same or similar subject matter and has an earlier priority date, we may be unable to obtain the protection we seek, including preventing competitors from commercializing similar technologies.

Moreover, the scope of protection may be limited or narrowed if certain claims are deemed ineligible, obvious in light of prior art, or insufficiently detailed. Furthermore, the grant of a patent is not conclusive as to its validity, enforceability, or scope, and competitors may challenge our patents or develop alternative technologies that avoid infringement. Defending and enforcing intellectual property rights can be costly, time-consuming, and divert management attention.

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In addition, the scope and interpretation of patent protection vary significantly across jurisdictions where we operate or intend to expand, including Hong Kong and other international markets. Patent applications may be rejected, claims may be significantly narrowed before issuance, and even issued patents may be reinterpreted, challenged, or invalidated in administrative or judicial proceedings. As a result, there can be no assurance that any patents we obtain in the future will provide adequate protection, prevent competitors from offering similar technologies, or deliver sustainable competitive advantages.

Any inability to obtain, maintain, or enforce patent rights could adversely affect our ability to protect key aspects of our technology and platform, and could materially and adversely impact our business prospects, operating results, and financial condition.

***We may be subject to employee claims for remuneration or royalties relating to assigned service invention rights across multiple jurisdictions, which could result in costly disputes and adversely affect our business.***

In jurisdictions where we operate or employ staff, including Hong Kong and other markets, employees may have statutory or contractual rights to claim additional remuneration or royalties for service inventions or other intellectual property rights that are assigned to us. We cannot assure you that these arrangements will fully prevent disputes or claims. If any current or former employee initiates legal action asserting such rights, we could be subject to lengthy and costly litigation or arbitration. Such proceedings may divert management attention and resources from our core operations, disrupt our research and development activities, and create uncertainty within our workforce.

Adverse outcomes in these disputes could result in substantial financial liabilities, statutory penalties, or mandatory royalty payments. In addition, such disputes could damage our reputation and employer brand, making it more difficult to attract and retain skilled professionals, and potentially undermining our relationships with customers and business partners. Given the varying legal standards and employee rights across jurisdictions, this risk is heightened as we expand our operations internationally.

***In addition to any registered intellectual property, we rely on unpatented technology, trade secrets, processes and know-how, the protection of which may be challenging across multiple jurisdictions.***

In addition to any registered intellectual property we hold, our operations depend heavily on unpatented technology, trade secrets, processes and know-how, particularly in relation to our platform architecture, algorithms, security protocols, and compliance systems. We generally seek to protect this information by entering into confidentiality, non-disclosure, and non-use agreements with our employees, consultants, contractors, technology partners, and other third parties. However, there is no assurance that these agreements will be entered into with all relevant parties, or, if entered into, that they will not be breached, circumvented, or

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otherwise fail to prevent unauthorized disclosure, infringement, or misappropriation. Even when enforceable, such agreements may be limited in duration, vary in enforceability across jurisdictions, or provide insufficient remedies for unauthorized use or disclosure.

We have limited control over the measures taken by certain third-party service providers, including technology vendors, liquidity providers, and custodial partners, to protect our trade secrets. If any unauthorized disclosure occurs, we could lose legal protection for certain technology and information. Additionally, our technology or know-how could become publicly known or independently developed by competitors or other third parties. Disputes may also arise where our personnel, contractors, or partners incorporate third-party intellectual property into work performed for us, potentially leading to conflicting claims of ownership over resulting know-how or inventions.

We cannot guarantee any measures implemented will fully prevent disputes or the risk of competition from former employees or contractors. Our offboarding process addresses intellectual property handover, but such procedures may not be effective in all cases. Moreover, international treaties and conventions may offer some protection against unauthorized use. However, the enforcement remains inconsistent across the jurisdictions in which we operate. Certain markets where we conduct business may provide weaker trade secret, increasing the risk of misappropriation.

We also rely on physical, technical, and organizational security measures to safeguard our technology and trade secrets, but these may be breached or otherwise fail. If third parties gain unauthorized access to our trade secrets and know-how, they may use it to our competitive disadvantage, and we may be unable to detect, prevent, or adequately enforce our rights in a timely manner. Any such events could erode our competitive position, harm our reputation, and adversely affect our business, operating results, and financial condition.

***Disputes with our customers could harm our reputation, increase costs, and negatively impact our business, operating results and financial condition.***

From time to time, we have been, and may in the future be, subject to claims and disputes with our customers regarding the execution and settlement of digital asset trades, fraudulent or unauthorized transactions, account takeovers, deposits and withdrawals of digital assets, failures or malfunctions of our systems, or other issues relating to our products and services. In addition, the ingenuity of criminal fraudsters, combined with many customers' vulnerability to fraud, means that some customers may continue to experience account takeovers, phishing and identity theft. There is no guarantee that they will always be effective against evolving threats.

If we fail to resolve disputes promptly and effectively, or if customers perceive our resolution process as unfair or overly burdensome, our customer relationships and brand reputation could be impaired. In some cases, fraud-prevention measures, such as transaction holds or account freezes, have caused poor customer experiences, including temporary or

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indefinite account inaccessibility, which may increase our customer support costs and exacerbate dissatisfaction. Disputes could also result in substantial costs, such as compensation for unauthorized, erroneous, or fraudulent transactions, as well as significant legal expenses to defend even unfounded claims.

Moreover, if regulators determine that we have failed to meet applicable obligations in handling customer complaints or safeguarding customer assets, we could lose licenses or authorizations or be subject to conditions that make future operations more costly and restrictive. We may also face investigations and enforcement actions from Hong Kong and overseas customer protection authorities, each of which monitors and may escalate customer complaints for further investigation or enforcement.

***We may suffer losses due to staking and other related delegation services we provide to our customers.***

Certain supported digital assets allow holders to earn rewards by participating in decentralized governance, transaction validation and network security processes on the underlying blockchain networks, such as through staking and other related delegation services. We currently offer, and expect to continue offering, such services for certain supported digital assets to enable customers to earn rewards on assets we hold in custody for them. For example, as part of our service offering, we operate validator or staking nodes on certain blockchain networks using customer assets and pass through the rewards earned, net of service fees, back to those customers. In other cases, upon customer instruction, we may delegate or transfer customer assets to independent third-party service providers. On some networks, participation requires that assets be transferred into smart contracts on the blockchain that are beyond our or any party's direct control.

If our staking process experiences operational errors, suffers security breaches, or is otherwise compromised, customers' assets may be irretrievably lost. Many blockchain protocols also impose penalties, commonly referred to as "slashing", for validator misbehavior or failures, such as malicious activity, double-signing transactions, or prolonged downtime. If we or our service providers are subject to slashing, the affected customer assets may be confiscated, withdrawn, or burnt by the network, potentially resulting in losses for which we may be responsible.

Additionally, certain staking mechanisms require transaction fees to be paid on the underlying blockchain, which may become significant in periods of network congestion or when the price of ETH or other relevant assets increases. A sustained high volume of staking or delegation activity from our customers could materially increase our operating costs. Any loss of customer assets, whether due to slashing penalties, validator failures, smart contract vulnerabilities or other factors, could result in financial liabilities, damage our brand and reputation, lead to customer attrition and discourage adoption of our products and services, which materially and adversely affect our business, operating results and financial condition.

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***We plan to continue to make acquisitions and investments, which could require significant management attention, disrupt our business, result in dilution to our stockholders, and adversely affect our financial results.***

We plan to continue pursuing acquisitions and strategic investments to support our long-term growth, including acquiring or investing in technologies, licenses, and platforms that complement our existing products and services or expand our capabilities. Many such opportunities, particularly in the digital asset and Web3 sectors, involve emerging technologies and unproven business models, and may therefore be highly speculative in nature. There is no assurance that we will be able to identify suitable targets, complete transactions on favorable terms, or realize the anticipated benefits of these acquisitions or investments. Integration of acquired businesses or technologies may require significant management attention, resources and time, and could be complicated by differences in corporate culture, operational processes and regulatory requirements. In addition, acquisitions or investments may result in dilution to our shareholders if financed through equity issuance or could increase our indebtedness and related obligations if financed through debt. Any failure to successfully identify, acquire, integrate, or realize the intended benefits of such transactions could adversely affect our business, operating results and financial condition.

***If we fail to develop, maintain, and enhance our brand and reputation, our business, operating results, and financial condition may be adversely affected.***

Our brand and reputation are critical to attracting and retaining customers, maintaining market leadership, and differentiating our offerings in a competitive industry. We must continue to invest significantly in brand promotion, thought leadership and market awareness to achieve broad acceptance of our products and services. Such investments may not generate the expected revenue growth, and any resulting revenue may not be sufficient to offset the increased expenses incurred.

Our brand and reputation are vulnerable to negative publicity or rumors, whether with or without merit, about us, our products and services, our management, directors, employees, shareholders, customers, business partners or their affiliates, or the digital asset industry in general. Unfounded or adversarial statements, if not addressed effectively, could mislead the public and damage our credibility, particularly given the complex and sensitive nature of our industry. Damage to our brand could reduce demand for our products and services, adversely affect our ability to compete, and lower the trading price of our Shares.

Moreover, our brand value depends on our ability to deliver secure, high-quality and compliant products that meet or exceed industry standards. Any material reputational harm may require significant resources to repair, diverting management attention and increasing costs. If we fail to successfully protect, maintain, or enhance our brand and reputation, our business, operating results and financial condition could be materially and adversely affected.

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***Key business metrics and other estimates are subject to inherent challenges in measurement, and our business, operating results, and financial condition could be adversely affected by real or perceived inaccuracies in those metrics.***

We regularly review key business metrics, including trading volume and assets on platforms of each type of service, to evaluate growth trends, measure our performance, and make strategic decisions. These key metrics are calculated using internal company data and have not been validated by an independent third party. While these numbers are based on what we currently believe to be reasonable estimates for the applicable period of measurement, there are inherent challenges in such measurements. If we fail to maintain an effective analytics platform, our key metrics calculations may be inaccurate, and we may not be able to identify those inaccuracies.

***Unfavorable media coverage could negatively affect our business.***

We receive a high degree of media coverage in the digital asset service market and around the world. Unfavorable publicity regarding, for example, our product changes, product quality, litigation or regulatory activity, privacy practices, terms of service, employment matters, the use of our products, services, or supported digital assets for illicit or objectionable ends, the actions of our customers, or the actions of other companies that provide similar services to ours, has in the past, and could in the future, adversely affect our reputation. Furthermore, we may be the target of social media campaigns criticizing actual or perceived actions or inactions that are disfavored by our customers, employees, or society at-large, which campaigns could materially impact our customers' decisions to trade on our platform. Any such negative publicity could have an adverse effect on the size, activity, and loyalty of our customers and result in a decrease in revenue, which could adversely affect our business, operating results, and financial condition.

***Our compliance and risk management methods might not be effective and may result in outcomes that could adversely affect our reputation, operating results, and financial condition.***

Our ability to comply with applicable complex and evolving laws, regulations, and rules is largely dependent on the establishment and maintenance of our compliance, audit, and reporting systems, as well as our ability to attract and retain qualified compliance and other risk management personnel. We cannot assure you that our policies and procedures will always be effective or that we will always be successful in monitoring or evaluating the risks to which we are or may be exposed in all market environments or against all types of risks, including unidentified or unanticipated risks.

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Our risk management policies and procedures rely on a combination of technical and human controls and supervision that are subject to error and failure. Some of our methods for managing risk are discretionary by nature and are based on internally developed controls and observed historical market behavior, and also involve reliance on standard industry practices. These methods may not adequately prevent losses, particularly as they relate to extreme market movements, which may be significantly greater than historical fluctuations in the market. Our risk management policies and procedures also may not adequately prevent losses due to technical errors if our testing and quality control practices are not effective in preventing failures. In addition, we may elect to adjust our risk management policies and procedures to allow for an increase in risk tolerance, which could expose us to the risk of greater losses.

Regulators periodically review our compliance with our own policies and procedures and with a variety of laws and regulations. We have received in the past and may from time to time receive enquiries from regulators regarding compliance training programs. If we fail to comply with these, or do not adequately remediate certain findings, regulators could take a variety of actions that could impair our ability to conduct our business, including delaying, denying, withdrawing, or conditioning approval of certain products and services. In addition, regulators have broad enforcement powers to censure, fine, issue cease-and-desist orders or prohibit us from engaging in some of our business activities. We face the risk of significant intervention by regulatory authorities, including extensive examination and surveillance activities. In the case of non-compliance or alleged non-compliance, we could be subject to investigations and proceedings that may result in substantial penalties or civil lawsuits, including by customers, for damages which can be significant. Any of these outcomes would adversely affect our reputation and brand and our business, operating results, and financial condition. Some of these outcomes could adversely affect our ability to conduct our business.

***We purchase from connected persons certain technical development services.***

Since 2018, we have purchased technical development services, including software and IT infrastructure development, system maintenance, and mobile application and website support, from Shanghai Wanxiang Blockchain Inc. (上海萬向區塊鏈股份公司) and their subsidiaries (“**Wanxiang Blockchain entities**”), which are associates of Mr. Lu, our non-executive Director and a Controlling Shareholder, and therefore our connected persons under the Listing Rules. See “Connected Transactions — Non-exempt Continuing Connected Transactions — Technical Development Services” for details. These services are important to our business operations and expansion. If we are unable to continue to obtain such services from Wanxiang Blockchain entities on terms acceptable to us, or if there is any disruption, delay or deterioration in the quality of the services provided, our business operations, technology infrastructure, growth plans and financial performance could be materially and adversely affected. See “Financial Information — Related Party Transactions” for the impact on financial performance of our Group, had such transactions been procured from independent third-party suppliers. Furthermore, our potential reliance on connected persons for such services may give rise to potential conflicts of interest, and there can be no assurance that any such conflicts will always be resolved in our favor.

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***We are exposed to credit risks related to our trade and digital asset receivables.***

We are exposed to credit risks related to delay in payment of our customers. Our trade receivables and digital asset receivables represent the amounts due from our customers for the services performed in our ordinary course of business. As of December 31, 2022, 2023, 2024 and June 30, 2025, our trade receivables and digital asset receivables were HK\$4.2 million, HK\$8.7 million, HK\$30.4 million and HK\$28.3 million, respectively.

We decide trading terms with our customers on a case-by-case basis. Trade and digital asset receivables are generally settled in accordance with the terms of the respective contracts. We cannot assure you that we will be able to collect our trade receivables from our customers in full, or at all, in the future. Therefore, we are exposed to risks that our customers might not meet their contractual obligations to us. If we fail to receive payments from our customers on a timely basis, our liquidity and financial condition could be materially and adversely affected.

***Fair value change of financial assets at fair value through profit or loss may affect our results of operations.***

Fluctuation in fair value change of our financial assets at fair value through profit or loss may adversely affect our business operations. As of December 31, 2022, 2023, 2024 and June 30, 2025, we had financial assets at fair value through profit or loss of HK\$447.6 million, HK\$447.6 million, HK\$417.2 million and HK\$408.6 million, respectively. The methodology that we use to assess the fair value of our financial assets involves a significant degree of management judgment and are inherently uncertain. We cannot assure you that market conditions and regulatory environment will create fair value gains on the financial assets we invest in or that we will not incur any fair value losses on our financial assets in the future. If we incur such fair value losses, our results of operations, financial condition and prospects may be adversely affected.

***Fair value change of digital assets at fair value through profit or loss may affect our results of operations.***

Fluctuation in fair value change of our digital assets at fair value through profit or loss may adversely affect our business operations. As of December 31, 2022, 2023, 2024 and June 30, 2025, we had digital assets at fair value through profit or loss of HK\$60.2 million, HK\$300.9 million, HK\$246.0 million, and HK\$249.6 million, respectively. Digital assets measured at fair value through profit or loss comprise of inventory measured at fair value less costs to sell and digital assets borrowed. Please see Note 20 to the Accountants' Report set out in Appendix I. We cannot assure you that market conditions and regulatory environment will create fair value gains on the digital assets we hold or that we will not incur any fair value losses on our digital assets in the future. If we incur such fair value losses, our results of operations, financial condition and prospects may be adversely affected.

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In addition, certain of our digital assets are classified as inventories and are measured at the lower of cost and net realizable value. Given the potentially high volatility of digital asset prices, we may be required to recognize impairment losses if the net realizable value of such assets falls below their carrying cost. As of December 31, 2022, 2023, 2024 and June 30, 2025, we recorded writedown for digital assets classified as inventories measured at the lower of cost and net realizable value of nil, nil, HK\$7.9 million, and HK\$11.0 million, respectively. Factors such as macroeconomic conditions, market sentiment, and regulatory developments may lead to significant declines in the market prices of digital assets, resulting in their net realizable value being lower than cost, which could adversely affect our results of operations and financial condition.

***We will continue to grant share-based awards before and after the Listing, which may result in increased share-based compensation expenses.***

We adopted our Pre-IPO Equity Incentive Plan in 2024 to provide additional incentives to Directors, Officers and employees. We account for compensation costs for all share-based awards using a fair-value based method and recognize expenses in our consolidated statements of profit or loss and other comprehensive income in accordance with IFRS. For details, see “Appendix IV — Statutory and General Information — D. Pre-IPO Equity Incentive Plan”. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, we incurred share-based compensation of HK\$3.6 million, HK\$10.4 million, HK\$566.2 million, HK\$500.2 million and HK\$2.6 million, respectively. We believe the granting of share-based awards is of significant importance to our ability to attract and retain key personnel and employees, and we will continue to grant share-based awards before and after the Listing. As a result, our expenses associated with share-based compensation may increase, which may have an adverse effect on our results of operations.

***Failure to recruit, retain and motivate highly skilled personnel, or to maintain our corporate culture during growth, could adversely affect our business, operating results and financial condition.***

Our success depends heavily on the continued service and contributions of key personnel, including senior management, engineers, product designers, finance and legal professionals, and operations and support staff, many of whom are difficult to replace. Any significant changes in our senior management team or the departure of key personnel could disrupt our operations and negatively affect our business performance.

We plan to expand our headcount to support business operations and growth initiatives. However, competition for qualified talent in the digital asset and technology sectors is intense, particularly for experienced engineers, R&D professionals, and skilled marketing and operations staff. We may not be able to attract or retain the personnel necessary to achieve our strategic objectives. Labor shortages, rising labor costs, and inflation in various markets further exacerbate these challenges. In addition, our ability to effectively train and integrate new hires may be constrained, particularly during periods of rapid expansion. Such growth could also make it more difficult to preserve our corporate culture, which we consider essential to

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fostering innovation, collaboration, and operational focus. If we are unable to recruit, retain, and motivate the required talent, or if our corporate culture deteriorates, our business, operating results, and financial condition could be adversely and materially affected.

***A severe or prolonged downturn in regional or global economic conditions could materially and adversely affect our business, results of operations, and financial condition.***

Geopolitical, economic, and market conditions, including the liquidity of global financial markets, the level and volatility of debt and equity prices, interest rates, currency and commodity prices, investor sentiment, inflation, and the availability and cost of capital and credit, have had, and will continue to have, a significant impact on the markets in which we operate. There remains considerable uncertainty over the long-term effects of expansionary or contractionary monetary and fiscal policies adopted by central banks and financial authorities in major economies. Concerns over regional instability, conflicts, and geopolitical tensions, including but not limited to unrest in the Middle East, Europe, and Africa, as well as conflicts involving Ukraine, have contributed to higher global volatility. The combination of slow economic recovery in certain regions, high inflation, and elevated interest rates has increased global market uncertainty, tightened financial conditions, and raised fears of a potential recession. These developments may adversely affect global liquidity, increase funding costs and heighten market volatility.

Given that our operations span multiple jurisdictions in Asia and internationally, adverse regional or global macroeconomic developments could directly or indirectly impact customer demand, trading volumes, investment activity, and the overall digital asset market environment. Any severe or prolonged slowdown in the global economy, or in one or more of our key operating regions, could materially and adversely affect our business, results of operations, and financial condition.

***We face risks related to natural disasters, public health emergencies, and other force majeure events.***

Our business could be adversely affected by natural disasters such as floods, earthquakes, typhoons, extreme weather events, or drought, as well as by outbreaks of contagious diseases or other public health emergencies, including SARS, Ebola, Zika, COVID-19, or any future pandemics. We may also be impacted by acts of war, terrorism, civil unrest, geopolitical conflicts, or other force majeure events beyond our control. As a digital asset platform with operations, customers, and partners across multiple jurisdictions, such events could affect the normal working conditions of our employees and servers, and may disrupt our ability to maintain continuous platform operations, impair our technology infrastructure or data centers, delay product development and service enhancements, and impact the productivity of our workforce or the operations of our business partners. In addition, restrictions on travel, business activity, or cross-border transactions imposed by governments in response to such

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## RISK FACTORS

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events could reduce customer activity, dampen market sentiment, and result in lower trading volumes or asset inflows on our platform. Any prolonged or severe disruption of this nature could materially and adversely affect our business, results of operations, financial condition and growth prospects.

***We may not have sufficient insurance coverage to cover our business risks.***

We maintain insurance coverage for certain potential risks and liabilities, such as property insurance, professional indemnity insurance, and employers' liability insurance. For further details, see "Business — Insurance." However, insurance providers in the jurisdictions where we operate, including those covering financial and digital asset services, often offer limited products for certain types of operational, cyber, or regulatory risks. As a result, we may not be able to obtain insurance for all categories of risks we face in our business, and our coverage may not be adequate to compensate for all potential losses, particularly in relation to business interruption, cybersecurity incidents, operational failures or regulatory actions.

Given the evolving nature of the digital asset industry, certain material risks, including those arising from market volatility, fraud, technology malfunctions, or third-party service provider failures, may not be insurable on commercially reasonable terms, if at all. Any business disruption, litigation, outbreak of epidemic disease, adverse weather conditions, or natural disaster could expose us to substantial costs and divert management attention and resources. There can be no assurance that our insurance coverage will be sufficient to cover any loss or that we will be able to recover amounts claimed under our policies in a timely manner, or at all. If we incur any loss that is not covered, or the compensation amount is significantly less than our actual loss, our business, financial condition, and results of operations could be materially and adversely affected.

***Higher labor costs and inflation may adversely affect our business, results of operations, financial condition and prospects.***

Rising inflation in the markets where we operate may lead to higher costs for talent, technology infrastructure, and third-party services. Factors such as changes in minimum wage laws, labor market dynamics, increased competition for skilled professionals in the digital asset and financial technology sectors, or general economic conditions may result in higher expenses for us to attract, retain, and incentivize qualified personnel. We may also face increased costs from service providers, including technology vendors, compliance partners, and other outsourced functions that support our operations. There is no assurance that these measures will fully offset the effects of rising costs. If we are unable to absorb or pass on these increased expenses without affecting the quality or competitiveness of our products and services, our profitability and market position could be adversely affected.

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*To address ESG risks, we may incur additional costs, which could materially and adversely affect our financial performance.*

To identify, manage, and mitigate environmental, social, and governance (“ESG”) risks, we may need to incur additional costs and allocate further resources, which could affect our financial performance. Given the nature of our digital asset platform business, we do not generate material direct emissions or hazardous waste and are not engaged in activities involving heavy pollution. Nonetheless, we closely monitor environmental and climate-related risks, including those that could indirectly affect our operations through supply chain disruptions, technology infrastructure risks, or changes in customer expectations and evaluate their potential impact over the short-, medium-, and long-term horizons.

We are committed to fostering a responsible, inclusive, and innovation-driven corporate culture, which may require ongoing investment in employee well-being, diversity initiatives, and community engagement programs. Additionally, ESG-related regulatory requirements in the multiple jurisdictions where we operate, such as enhanced disclosure obligations and sustainability reporting standards, may lead to higher compliance and operational costs. Failure to adapt to evolving ESG regulations or meet industry expectations could harm our brand reputation, result in the loss of customers or business partners, and adversely impact our results of operations and financial condition.

### **RISKS RELATED TO GEOGRAPHIC REGIONS WHERE WE OPERATE**

*Changes in the political and economic policies of the geographic markets in which we operate may materially and adversely affect our business, financial condition and results of operations and may result in our inability to sustain our growth and expansion strategies.*

We operate a significant portion of our business across Asia. Accordingly, our business, financial condition and results of operations may be influenced to a significant degree by political, economic and social conditions in these markets. The economies in emerging markets generally differ from developed markets in many respects, including the level of government involvement, level of development, growth rate, control of foreign exchange, government policy on public order and allocation of resources. In some of these markets, governments continue to play a significant role in regulating industry development by imposing industrial policies. Some local governments also exercise significant control over the economic growth and public order in their respective jurisdictions through allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policies, and providing preferential treatment to particular industries or companies. Governmental actions to control inflation and other policies and regulations have often involved, among other measures, price controls, currency devaluations, capital controls and limits on imports.

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Growth of the economy in each of our geographic markets has been uneven, both geographically and among various sectors of the economy. An economic downturn, whether actual or perceived, a further decrease in economic growth rates or an otherwise uncertain economic outlook in our geographic markets or any other market in which we may operate could materially and adversely affect our business, financial condition and results of operations. Some of these markets have experienced, and may in the future experience, political instability, including strikes, demonstrations, protests, marches, guerilla activity or other types of civil disorder. These instabilities and any adverse changes in the political environment could increase our costs, increase our exposure to legal and business risks, disrupt our office operations or affect our ability to expand our user base.

*Uncertainties with respect to the legal systems of certain of our geographic markets could adversely affect us.*

The legal systems in many of our geographic markets vary significantly from jurisdiction to jurisdiction. Some jurisdictions have a civil law system based on written statutes and others are based on common law. Unlike the common law system, prior court decisions under the civil law system may be cited for reference but have limited precedential value.

Some of our markets have not developed a fully integrated legal system, and recently enacted laws and regulations may not sufficiently cover all aspects of economic activities in such markets. In particular, the interpretation and enforcement of these laws and regulations involve uncertainties, and the application of some of these laws and regulations to our businesses is not settled. Since local administrative and court authorities have significant discretion in interpreting and implementing statutory provisions and contractual terms, it may be difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we have in many of the localities in which we operate. Local courts may have broad discretion to reject enforcement of foreign awards or arbitration awards. These uncertainties may affect our judgment on the relevance of legal requirements and our ability to enforce our contractual rights or claims. In addition, the regulatory uncertainties may be exploited through unmerited or frivolous legal actions, claims concerning the conduct of third parties, or threats in attempt to extract payments or benefits from us.

It is possible that a number of laws and regulations may be adopted or construed to apply to us in our geographic markets and elsewhere that could restrict our operations. Scrutiny and regulation affecting our operations may further increase, and we may be required to devote additional legal and other resources to addressing this regulation. Changes in current laws or regulations or the imposition of new laws and regulations affecting our operations in our geographic markets may slow our growth and adversely affect our financial condition and results of operations.

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***Fluctuations in foreign currency exchange rates may adversely affect our operational and financial results.***

We operate in multiple geographic markets, which exposes us to the effects of fluctuations in currency exchange rates as we report our financials and key operational metrics in U.S. dollars and Hong Kong dollars. We generally incur costs and expenses for employee compensation and other operating expenses in the local currencies in the markets in which we operate. Fluctuations in the exchange rates among the various currencies that we use could cause fluctuations in our operational and financial results. Our expenses may become higher, and our revenue and operating metrics may become lower than would be the case if exchange rates were stable or if we were operating and reporting in one currency. Movements in foreign currency exchange rates may materially and adversely affect our results of operations, which may cause our operating and financial metrics reported in Hong Kong dollars to be not fully representative of our underlying business performance. Because fluctuations in the value of local currencies are not necessarily correlated, our results of operations in any period may be materially and adversely affected by such volatility related to U.S. dollars and Hong Kong dollars. Additionally, we may be subject to restrictions on currency exchange in some of the jurisdictions in which we operate.

We may enter into derivatives transactions and incur relevant costs from time to time to manage our exposure to exchange rate risk. Such derivatives transactions, while intended to be non-speculative, are designed to protect us against increases or decreases in exchange rates, but not both. If we have entered into derivatives transactions to protect against, for example, decreases in the value of a local currency and such local currency instead increases in value, we may incur financial losses.

***The ability of our subsidiaries to distribute dividends to us may be subject to restrictions under the laws of their respective jurisdictions.***

We are a holding company. Part of our primary internal sources of funds to meet our cash needs is our share of the dividends, if any, paid by our subsidiaries. The distribution of dividends to us from the subsidiaries in these markets as well as other markets where we operate is subject to restrictions imposed by the applicable laws and regulations in these markets. In addition, although there are currently no foreign exchange control regulations which restrict the ability of our subsidiaries in some of our markets to distribute dividends to us, the relevant regulations may be changed and the ability of these subsidiaries to distribute dividends to us may be restricted in the future.

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### RISKS RELATED TO DIGITAL ASSETS AND REGULATIONS

*We are subject to laws, regulations, and industry requirements related to data privacy, data protection and information security, and customer protection across different jurisdictions where we conduct our business, and industry requirements and such laws, regulations, and industry requirements are constantly evolving and changing. Any actual or perceived failure to comply with such laws, regulations, and industry requirements, or our privacy policies could harm our business.*

We are committed to ensuring the highest level of data privacy and security for our clients, partners and users. We have established a robust data security architecture that complies with international standards and applies multi-layered protection to user activities, with all data encrypted and systems continuously monitored to ensure confidentiality, integrity and availability. We strictly adhere to applicable data protection regulations, such as the Personal Data (Privacy) Ordinance in Hong Kong and the Personal Data Protection Act in Singapore.

The regulatory requirements we face are not only strict but also fragmented. Each jurisdiction applies its own standards, which may overlap, diverge, or even conflict with one another. For instance, the GDPR places restrictions on the transfer of personal data outside of the European Union, while other regions impose different requirements for cross-border transfers. This lack of uniformity makes compliance complex and resource-intensive. Any failure to reconcile these differences could disrupt our operations, limit our ability to provide seamless global services, or expose us to investigations, fines, or litigation.

Beyond legal compliance, regulators worldwide are strengthening requirements on customer protection, marketing, and online tracking. Such rules may limit our ability to analyze user behavior, target customers effectively, or conduct digital marketing campaigns, thereby increasing costs and reducing efficiency. Similar trends are emerging in Asia, where customer data protection is becoming a regulatory priority. We also face additional risks as we expand into new markets or grow through acquisitions. In such cases, we may inherit legacy systems or data-handling practices that fall short of current requirements, exposing us to liabilities for historical privacy or security breaches. Even when we adopt strong controls, our reliance on third-party vendors and service providers introduces another layer of risk, as we may be held responsible for breaches or failures by these partners.

To mitigate these risks, we have adopted robust security and compliance measures, including segregation of client data, encryption, access controls and continuous monitoring. We have also obtained international certifications such as ISO 27001 (information security) and ISO 27701 (privacy information management). Nevertheless, the regulatory framework for digital assets and blockchain technology remains underdeveloped and is expected to evolve significantly. Any changes or failures to comply, whether by us or our service providers, could result in regulatory sanctions, reputational harm, loss of customer trust, and material adverse impacts on our business and financial condition.

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***Our consolidated balance sheets may not contain sufficient amounts or types of regulatory capital to comply with the evolving capital requirements imposed by regulators in jurisdictions where we operate, which could adversely affect our business, operating results, and financial condition.***

As a licensed provider of digital asset services, including our role as a VATP in Hong Kong, we are subject to capital adequacy and financial soundness requirements set by regulators. These rules are designed to ensure that licensed entities maintain sufficient resources to safeguard customer assets, absorb operational risks, and support ongoing business activities. As a result, we must ensure that our capitalization remains aligned with evolving regulatory standards. However, changes in these requirements or the imposition of additional capital obligations could increase our costs, constrain liquidity, or require us to adjust our business model.

In addition, our operations involve the custody and movement of both fiat currency and digital assets. We maintain treasury and accounting systems to ensure compliance with regulatory obligations, including segregation of client assets and timely financial reporting. Nevertheless, errors in asset handling, misstatements, or delays in reporting could result in breaches of regulatory capital or reserve requirements. Regulators may also impose higher minimum reserve levels, stricter reporting standards, or enhanced capital buffers over time. Failure to meet such obligations could subject us to sanctions, penalties, restrictions on our operations, or even suspension or revocation of licenses, any of which could materially and adversely impact our financial condition, reputation, and ability to conduct business.

***Depositing and withdrawing digital assets into and from our platform carry inherent risks, including potential loss of customer assets, customer disputes and exposure to related liabilities, which could materially and adversely impact our business.***

To own, transfer and use a digital asset on its underlying blockchain network, a user must possess a unique pair of cryptographic keys, a private key and a public key, associated with a network address, commonly referred to as a “wallet”. These keys are alphanumeric strings that enable users to interact with the blockchain. When depositing digital assets to our platform or a custody solution we provide, the customer must initiate and “sign” a transaction using the private key of the wallet from which the assets are being sent, specify the public key of a wallet provided by us, and broadcast the transaction to the underlying blockchain network. Conversely, when withdrawing digital assets, the customer must provide the public key of the destination wallet, and we are responsible for “signing” the transaction to authorize the transfer. In addition, some digital networks require additional information to be provided in connection with any transfer of digital assets to or from our platforms.

However, the digital assets transfer process is highly technical and prone to user error. Common mistakes include typographical errors, incorrect wallet addresses, or the omission of mandatory blockchain-specific information. For example, a user may mistakenly input our platform’s public wallet address when depositing or send assets to an unintended or uncontrolled third-party wallet address during a withdrawal. Furthermore, each wallet address

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is specific to the underlying blockchain. For instance, a Bitcoin wallet address cannot be used to receive ETH or other cryptocurrencies. If assets are sent to an incompatible or incorrect wallet address, or if required transaction details are missing, the digital assets will be permanently and irreversibly lost, as blockchain transactions are immutable and there is generally no mechanism for recovery. These events could lead to customer disputes, reputational harm, legal claims, and financial liabilities, all of which may adversely affect our business and operations.

***A temporary or permanent blockchain “fork” to any supported digital asset could adversely affect our business.***

Blockchain protocols are open source, meaning their underlying software code is publicly available and can be downloaded, modified, and proposed for adoption by anyone within the community. When a proposed modification is introduced, it requires the consensus of a substantial majority of users and miners for the change to be implemented smoothly across the network. If consensus is achieved, the protocol updates without disrupting the blockchain’s continuity. However, if the proposed change is not widely supported or is incompatible with the previous version of the software, it results in a “fork”, a split in the blockchain. This creates two separate and parallel versions of the network, with one continuing to run the original, unmodified software and the other adopting the newly modified version. Forks can lead to the creation of multiple, coexisting blockchain networks, each with its own version of the digital asset. Notable examples include Bitcoin Cash, Bitcoin SV, Bitcoin Gold, and Ethereum Classic, all of which emerged from forks of the original Bitcoin or Ethereum protocols. Because there is no central authority or global registry governing blockchain protocols or forked assets, there is no standardized naming convention for these new assets. As a result, digital asset platforms may disagree on how to label or recognize forked tokens, leading to inconsistencies and confusion among users about the nature and value of the assets they hold.

Some forks, particularly those that are contentious or ideologically driven, can create lasting divisions within the blockchain community. These divisions may negatively impact the adoption, usability, or market price of the original or forked digital assets. Moreover, forks may introduce security vulnerabilities. Additionally, forks can weaken overall network security, as the distribution of mining power across multiple chains may reduce the hash rate of any single network, making it easier for a malicious actor to gain majority control and execute attacks.

We do not consider ourselves obligated to support any forked protocol or to distribute forked or airdropped digital assets to our customers, and we did not receive any digital assets from forks or airdrops during the Track Record Period. Nevertheless, we may face customer claims asserting entitlement to such assets on the basis of digital assets they hold with us. If customers are successful in claiming that they are owed the value or access to forked or airdropped assets, whether or not we choose to, or are technically able to, support them, we may face demands for compensation, including monetary damages, fines, or other liabilities. Furthermore, blockchain forks can occur unexpectedly and without warning, and they pose risks to both the broader blockchain networks and our own information technology infrastructure. Fork-related events can trigger network disruptions, cybersecurity threats,

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replay attacks, and the emergence of security weaknesses, any of which may result in the temporary or permanent loss of digital assets, both ours and those entrusted to us by customers. Even in cases where we do not support or recognize a forked asset, we may still be exposed to legal and financial liability due to the operational and reputational consequences of such disruptions.

***We currently support, and expect to continue to support, certain smart contract-based digital assets. If the underlying smart contracts for these digital assets do not operate as expected, they could lose value and our business could be adversely affected.***

We support digital assets that are built on and governed by smart contracts deployed on third-party blockchains. Smart contracts are self-executing programs designed to store, transfer, or manage value automatically when predefined conditions are met. Once deployed, these contracts are generally immutable and cannot be easily modified, paused, or reversed. As a result, any vulnerabilities or flaws in their programming can have serious and irreversible consequences.

There have been several notable incidents in the digital asset industry where flaws in smart contracts have caused significant disruptions. These examples highlight the broader risks of smart contract vulnerabilities, which could also affect the digital assets we support, potentially causing loss of value, loss of liquidity, reputational harm, and negative publicity for our platform.

In addition to technical flaws, certain smart contracts incorporate privileged rights, such as “admin keys” or “super users,” which grant specific parties the authority to modify the contract’s behavior. These privileges may include enabling or disabling features, altering the contract’s interaction with external data, or accessing reserve funds. Even in protocols claiming to be decentralized, governance tokens are often concentrated in the hands of a small number of entities, allowing them to exercise disproportionate control. If these privileged actors act unilaterally, such as disabling critical functions, draining reserves, or manipulating contract logic, or if a malicious party gains unauthorized access to these privileges, the security, functionality, and value of the affected digital assets could be severely compromised.

Moreover, privileged users or governance token holders are themselves potential targets of hacking or social engineering. If attackers gain control over admin rights, they may alter contract rules or extract funds, leading to loss of customer assets, theft of reserves, or permanent locking of digital assets. Such failures or abuses of smart contracts, even though they are not developed or controlled by us, could still expose us to customer claims for compensation, damage our reputation, and negatively affect our business operations.

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*The nature of our business requires the application of complex accounting standards, for which there is limited guidance from accounting standard setting bodies. If accounting standards undergo significant changes, our operating results could be adversely affected.*

We have prepared our financial statements in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”). Any changes in these standards or interpretations could have a significant effect on our reported financial results, including transactions completed before the changes being announced or effective. At present, there is limited authoritative guidance on the accounting treatment of digital assets, including valuation methods, impairment testing, and revenue recognition for digital asset-related services. The IASB and other accounting standard setters have not yet provided comprehensive frameworks that specifically address the unique characteristics of digital assets, leaving significant areas subject to interpretation. As a result, companies in our industry must often rely on analogies to existing accounting standards, creating uncertainty and potential inconsistency in financial reporting.

Uncertainties in, or changes to, accounting standards or interpretations could require us to revise our accounting policies, make adjustments to previously issued financial statements, or adopt new methods of revenue recognition. Such changes could impair our ability to provide timely and accurate financial reporting, adversely impact our reported financial results, and reduce investor confidence in our disclosures. More broadly, these uncertainties could negatively affect our business operations, financial condition, and overall performance.

*As the digital economy is still emerging and lacks strong representation among policymakers or lobbying groups, we may face challenges in effectively responding to legislation or regulations that could negatively affect our business.*

As digital assets continue to grow in popularity and market capitalization, they have attracted increasing attention from governmental authorities, regulatory agencies, and public advocacy groups globally, including in Hong Kong, Singapore, and Europe. Policymakers have raised concerns over the potential misuse of digital assets for money laundering, terrorist financing, fraud, and other illicit activities, as well as customer protection and financial stability risks associated with platforms that custody or facilitate digital asset transactions. In response, regulators in many jurisdictions have issued advisories, introduced new rules, or amended existing frameworks to address these risks.

Despite this progress, the digital asset industry remains relatively nascent in many jurisdictions and has less established representation in policy-making channels compared with traditional sectors such as banking, insurance, and asset management. As a result, regulatory decisions may be shaped without sufficient industry input, increasing the risk that new laws, stricter interpretations, or enhanced compliance requirements could be introduced in ways that may not fully reflect industry practices. Such developments could negatively affect the growth of the digital economy and impose additional burdens on platforms like ours, potentially impacting our operations, financial performance, and ability to serve clients effectively.

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### RISKS RELATED TO THE GLOBAL OFFERING

***There has been no prior public market for our Shares, and an active trading market for our Shares may not develop or be sustained.***

Prior to the Global Offering, there was no public market for our Shares. We cannot assure you that a public market for our Shares with adequate liquidity and trading volume will develop and be sustained following the completion of the Global Offering. In addition, the Offer Price of our Shares is the result of negotiations between the Overall Coordinators (for themselves and on behalf of the Underwriters) and us, and may not be an indication of the market price at which our Shares will be traded following the completion of the Global Offering. If an active public market for our Shares does not develop following the completion of the Global Offering, the market price and liquidity of our Shares may be materially and adversely affected.

***The liquidity and market price of our Shares may be volatile.***

The price and trading volume of our Shares may be subject to significant volatility in response to various factors beyond our control, including the general conditions of the securities markets in Hong Kong and elsewhere in the world. The Stock Exchange and other securities markets have, from time to time, experienced significant price and trading volume volatility that are not related to the operating performance of any particular company. It is possible that our Shares may be subject to changes in price not directly related to our business performance. The business and performance and the market price of the shares of other companies engaging in similar business may also affect the price and trading volume of our Shares. In addition to market and industry factors, the price and trading volume of our Shares may be highly volatile for specific business reasons, such as fluctuations in our revenue, results of operations, cash flows, investments, expenditures, relationships with our business partners, movements or activities of key personnel, actions taken by competitors or regulatory developments. In addition, the volatility in the trading price and volume of our Shares may negatively impact our ability to raise capital in the future through the issuance of additional equity securities.

***Our issuance of additional Shares or other equity securities could result in additional dilution to our Shareholders.***

As the Offer Price of our Shares is higher than the consolidated net tangible assets per Share immediately prior to the Global Offering, purchasers of our Shares in the Global Offering may experience an immediate dilution. Our existing Shareholders will receive an increase in the pro forma adjusted consolidated net tangible asset value per Share of their Shares. To raise additional capital, we may consider issuing additional Shares or other equity securities in the future, which may result in further dilution for our Shareholders. In addition, holders of our Shares may experience further dilution of their interest if the Underwriters exercise the Offer Size Adjustment Option or the Over-allotment Option or if we issue additional Shares in the future to raise additional capital.

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***Our Controlling Shareholders have significant influence over our Company and their interests may not be aligned with the interest of our other Shareholders.***

Immediately upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), our Controlling Shareholders will collectively control approximately 60.36% of the voting rights in our Company. Our Controlling Shareholders will, through their voting power at the Shareholders' meetings and their delegates on the Board, have significant influence over our business and affairs, including decisions in respect of mergers or other business combinations, acquisition or disposition of assets, issuance of additional Shares or other equity securities, timing and amount of dividend payments, and our management. Our Controlling Shareholders may not act in the best interests of our minority Shareholders. In addition, without the consent of our Controlling Shareholders, we could be prevented from entering into transactions that could be beneficial to us. This concentration of ownership may also discourage, delay or prevent a change in control of our Company, which could deprive our Shareholders of an opportunity to receive a premium for the Shares as part of a sale of our Company and may significantly reduce the price of our Shares.

***Future sales or market perception of sales of a substantial number of our Shares on the public market could adversely affect the trading price of our Shares.***

After the completion of the Global Offering, future sales of a substantial number of our Shares or other securities relating to our Shares on the public market, or the market perception that such sales may occur, could adversely affect the market price of our Shares and our ability to raise future capital at a favorable time and price. We cannot predict the effect of any future sales or market perception of sales of a substantial number of our Shares on the public market on the market price of our Shares.

***We cannot assure you whether and when we will declare and pay dividends in the future.***

We cannot assure you that dividends of any amount will be declared or distributed by us in any year in the future. Our Board has discretion as to whether to distribute dividends, subject to certain restrictions under Cayman Islands law, namely that our Company may only pay dividends either out of profits or share premium account, and provided always that in no circumstances may a dividend be paid if this would result in our Company being unable to pay its debts at they fall due in the ordinary course of business. In addition, our Shareholders may, by ordinary resolution, declare a dividend, but no dividend may exceed the amount recommended by our Board. Even if our Board decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flows, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our Board. Accordingly, the return on your investment in our Shares will likely depend entirely upon any future price appreciation of our Shares. There is no guarantee that our Shares will appreciate in value or even maintain the price at which you purchased the Shares. You may not realize a return on your investment in our Shares and may incur losses on your investment in our Shares.

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***We have no experience operating as a public company.***

Since we are becoming a public company, our management team will need to develop the expertise necessary to comply with the numerous regulatory and other requirements applicable to public companies, including requirements relating to corporate governance, listing standards and securities and investor relationships issues. As a public company, our management will have to evaluate our internal controls system with new thresholds of materiality, and to implement necessary changes to our internal controls system. We cannot guarantee that we will be able to do so in a timely and effective manner.

***We are a Cayman Islands company and, because judicial precedent regarding the rights of shareholders is more limited under the laws of the Cayman Islands than other jurisdictions, you may have difficulties in protecting your shareholder rights.***

Our corporate affairs are governed by our Memorandum and Articles of Association and by the Cayman Companies Act and common law of the Cayman Islands. The rights of Shareholders to take legal action against our Directors and us, actions by minority shareholders and the fiduciary responsibilities of our Directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The laws of the Cayman Islands relating to the protection of the interests of minority shareholders may differ in some respects from those established under statutes and judicial precedent in existence in the jurisdictions where minority shareholders may be located.

As a result of all of the above, minority shareholders may have difficulties in protecting their interests under the laws of the Cayman Islands through actions against our management, Directors or our majority shareholder, which may provide different remedies to minority shareholders when compared to the laws of the jurisdiction in which such shareholders are located.

***We cannot guarantee the accuracy of facts, forecasts, and other statistics obtained from official government sources contained in this Prospectus.***

We have derived certain facts and other statistics in this Prospectus, particularly those relating to the general economy and the industry in which we operate, from information provided by various public sources, industry associations, independent research institutes and other third-party sources, including a report prepared by Frost & Sullivan that we commissioned. Certain facts, forecasts, and other statistics in this Prospectus are derived from various official government resources. However, our Directors cannot guarantee the quality or reliability of these source materials, such as public sources, industry associations, independent research institutes and other third-party sources, including a report prepared by Frost & Sullivan that we commissioned. We believe that the sources of the said information are appropriate sources for such information and have taken reasonable care in extracting and

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reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. Nevertheless, information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, or any of their respective affiliates or advisers and, therefore, we make no representation as to the accuracy of such facts and statistics. Furthermore, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, you should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

***Forward-looking statements contained in this Prospectus are subject to risks and uncertainties.***

This Prospectus contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, growth opportunities for existing operations, plans and objectives of management, certain pro-forma information and other matters. The words “aim”, “anticipate”, “believe”, “could”, “predict”, “potential”, “continue”, “expect”, “intend”, “may”, “might”, “plan”, “seek”, “will”, “would”, “should” and the negative of these terms and other similar expressions identify a number of these forward-looking statements. These forward-looking statements, including, amongst others, those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are necessarily estimates reflecting the best judgment of our Directors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a result, these forward-looking statements should be considered in light of various important factors, including those set out in this section. Accordingly, such statements are not a guarantee of future performance, and investors should not place undue reliance.

***You should read the entire Prospectus carefully and only rely on the information included in this Prospectus to make your investment decision. We strongly caution you not to rely on any information contained in press articles or other media coverage relating to us or the Global Offering.***

We strongly caution our investors not to rely on any information contained in press articles or other media coverage relating to us, our Shares and the Global Offering. Prior to the publication of this Prospectus, there may be press and media coverage regarding the Global Offering and us. Such press and media coverage may include references to certain information that does not appear in this Prospectus, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this Prospectus, we disclaim responsibility for it and our investors should not rely on such information.

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## WAIVERS AND EXEMPTION

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In preparation of the Listing, the Company has sought the following waivers from strict compliance with the relevant provisions of the Listing Rules and exemption from the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

### MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, we must have sufficient management presence in Hong Kong. This normally means that at least two of our executive directors must be ordinarily resident in Hong Kong.

We only have one executive Director, Dr. Xiao. As such, we do not strictly meet the requirement under Rule 8.12 of the Listing Rules. Dr. Xiao ordinarily resides in Hong Kong and our principal operations are in Hong Kong.

We have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules. In order to maintain effective communication with the Stock Exchange, we will put in place the following measures in order to ensure that regular communication is maintained between the Stock Exchange and us:

- (a) we have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The two authorized representatives are Dr. Xiao, our sole executive Director, and Ms. Tang King Yin, the company secretary of our Company;
- (b) each of the authorized representatives will have all necessary means to contact all the Directors promptly at all times, as and when the Stock Exchange wishes to contact the Directors on any matters;
- (c) all the Directors who are not ordinarily resident in Hong Kong have or can apply for valid travel documents to visit Hong Kong for business purposes and would be able to meet with the Stock Exchange upon reasonable notice;
- (d) our Company will retain a Hong Kong legal advisor to advise on matters relating to the application of the Listing Rules and other applicable Hong Kong laws and regulations after Listing;
- (e) Guotai Junan Capital Limited, our Compliance Adviser, will act as an additional channel of communication with the Stock Exchange; and
- (f) each Director will provide his or her mobile phone numbers, office phone numbers, fax numbers and e-mail address to the Stock Exchange.

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## WAIVERS AND EXEMPTION

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### WAIVER IN RELATION TO CONTINUING CONNECTED TRANSACTIONS

We have entered into, and expect to continue, certain transactions which will constitute non-exempt or partially-exempt continuing connected transactions for our Company under the Listing Rules upon Listing. Accordingly, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Chapter 14A of the Listing Rules in relation to such non-exempt or partially-exempt continuing connected transactions. Details of such continuing connected transactions and the respective waivers sought are set out in the section headed “Connected Transactions” in this Prospectus.

### WAIVER AND EXEMPTION IN RELATION TO THE PRE-IPO EQUITY INCENTIVE PLAN

Rule 17.02(1)(b) of the Listing Rules requires a listing applicant to, inter alia, clearly set out in the prospectus all material terms of a share scheme approved prior to its listing and disclose in the prospectus full details of all outstanding options and their potential dilution effect on the shareholdings upon listing as well as the impact on the earnings per share arising from the exercise of such outstanding options.

Paragraph 27 of Appendix D1A to the Listing Rules requires a listing applicant to disclose, inter alia, particulars of any capital of any member of the group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee, or an appropriate negative statement, provided that where options have been granted or agreed to be granted to all the members or debenture holders or to any class thereof, or to employees under a share option scheme, it shall be sufficient, so far as the names and addresses are concerned, to record that fact without giving the names and addresses of the grantees.

Under section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, a prospectus must state the matters specified in Part I of the Third Schedule. Under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the number, description and amount of any shares in or debentures of the company which any person has, or is entitled to be given, an option to subscribe for, together with the particulars of the option, that is to say, (a) the period during which it is exercisable; (b) the price to be paid for shares or debentures subscribed for under it; (c) the consideration (if any) given or to be given for it or for the right to it; and (d) the names and addresses of the persons to whom it or the right to it was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures must be specified in a prospectus.

As of the Latest Practicable Date, our Company had granted outstanding options under the Pre-IPO Equity Incentive Plan to 438 grantees to acquire an aggregate of 471,808,504 Ordinary Shares, representing approximately 17.06% of the total number of Shares in issue immediately after completion of the Global Offering (assuming the Offer Size Adjustment Option and the

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## WAIVERS AND EXEMPTION

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Over-allotment Option are not exercised). Among the outstanding options, one Director, five senior management members and 432 employees or former employees of the Group (who are not Directors, senior management members, consultants or connected persons of the Company) were granted options to acquire 158,448,065 Shares, 60,008,578 Shares and 253,351,861 Shares, respectively.

No further options will be granted pursuant to the Pre-IPO Equity Incentive Plan between the Latest Practicable Date and the Listing. As of the Latest Practicable Date, all of the 578,571,420 ESOP Shares have been issued and are held by the ESOP Platform, therefore the vesting and exercise of all outstanding share options granted under the Pre-IPO Equity Incentive Plan will not have any dilution effect on our earnings per Share. For further details of the Pre-IPO Equity Incentive Plan, see the section headed “Statutory and General Information — D. Pre-IPO Equity Incentive Plan” in Appendix IV to this Prospectus.

We have applied to (i) the Stock Exchange for a waiver from strict compliance with the requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix D1A to the Listing Rules and (ii) the SFC for an exemption from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance pursuant to section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the grounds that the waiver and the exemption will not prejudice the interest of the investing public and strict compliance with the above requirements would be unduly burdensome for our Company for the following reasons, among others:

- (a) as of the Latest Practicable Date, we had granted outstanding options to 438 grantees under the Pre-IPO Equity Incentive Plan to acquire an aggregate of 471,808,504 Ordinary Shares, representing approximately 17.06% of the total number of Shares in issue immediately after completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised). The grantees under the Pre-IPO Equity Incentive Plan include one Director, five senior management members and 432 employees or former employees of our Group (who are not Directors, senior management members, consultants or connected persons of our Company);
- (b) our Directors consider that it would be unduly burdensome to disclose in this Prospectus full details of all the options granted by us to each of the grantees, which would significantly increase the cost and time required for information compilation and Prospectus preparation for strict compliance with such disclosure requirements. For example, we would need to collect and verify the addresses of over 400 grantees to meet the disclosure requirement. Further, the disclosure of the personal details of each of the grantees, including their names, addresses and the number of options granted, may require obtaining consent from the grantees in order to comply with personal data privacy laws and principles and it would be unduly burdensome for our Company to obtain such consents given the number of grantees;

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## WAIVERS AND EXEMPTION

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- (c) key information of the outstanding options granted under the Pre-IPO Equity Incentive Plan to the Directors, senior management members, consultants and connected persons of our Company, including a summary of the terms of the Pre-IPO Equity Incentive Plan, has already been disclosed in “Statutory and General Information — D. Pre-IPO Equity Incentive Plan” in Appendix IV to this Prospectus, which is sufficient to provide potential investors with information to make an informed assessment of the potential dilution effect and impact on earnings per Share of the options granted under the Pre-IPO Equity Incentive Plan in making their investment decision;
- (d) given the nature of the business of the Company, it is extremely important for the Company to recruit and retain talents, and the success of the Company’s long-term development plan will very much depend on the loyalty and contribution of the grantees, whereas the information relating to the options granted to the grantees is highly sensitive and confidential, and disclosure of such information may adversely affect the Company’s costs and ability to recruit and retain talents;
- (e) with respect to the grantees who are employees or former employees of the Group (who are not Directors, senior management members, consultants or connected persons of the Company), such number of Ordinary Shares is not material in the circumstances of our Company, and the exercise in full of such options will not cause any material adverse change in the financial position of our Company;
- (f) the lack of full compliance with such disclosure requirements will not prevent potential investors from making an informed assessment of the activities, assets and liabilities, financial position, management and prospects of our Group and will not prejudice the interest of the investing public; and
- (g) our Directors consider that the information that is reasonably necessary for the potential investors to make an informed assessment of the Company in their investment decision making process has been included in this Prospectus.

The Stock Exchange has granted us a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix D1A to the Listing Rules on the conditions that:

- (a) the following information will be clearly disclosed in this Prospectus:
  - (i) on individual basis, full details of all the outstanding options granted by our Company under the Pre-IPO Equity Incentive Plan to each of the Directors, senior management members, consultants, connected persons of our Company and grantees who have been granted outstanding options to subscribe for 5 million or more Shares, including all the particulars required under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix D1A to the Listing Rules;

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## WAIVERS AND EXEMPTION

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- (ii) in respect of the outstanding options granted by our Company to the grantees other than those referred to in sub-paragraph (i) above, on an aggregate basis, the following details are disclosed in this Prospectus:
  - a. the aggregate number of such grantees and the number of Ordinary Shares subject to the options;
  - b. the consideration paid for the grant of the options; and
  - c. the exercise period and the exercise price for the options;
- (iii) the dilution effect and impact on earnings per Share upon full exercise of the outstanding options granted under the Pre-IPO Equity Incentive Plan;
- (iv) the aggregate number of Ordinary Shares subject to the outstanding options granted by our Company under the Pre-IPO Equity Incentive Plan and the percentage of our Company's issued share capital of which such number represents;
- (v) a summary of the Pre-IPO Equity Incentive Plan;
- (vi) the particulars of this waiver;
- (b) the list of all the grantees (including the persons referred to in paragraphs (a)(i) and (a)(ii) above), containing all details as required under Rule 17.02(1)(b) of and paragraph 27 of Appendix D1A to the Listing Rules, and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, will be made available for public inspection in accordance with "Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display — Documents Available for Inspection" in Appendix V to this Prospectus; and
- (c) a certificate of exemption under the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC exempting us from the disclosure requirements provided in paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance having been obtained.

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## WAIVERS AND EXEMPTION

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The SFC has granted to our Company a certificate of exemption under Section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, subject to the conditions that:

- (a) full details of all the outstanding options granted under the Pre-IPO Equity Incentive Plan to each of the Directors, senior management members, consultants, connected persons of our Company and grantees who have been granted outstanding options to subscribe for 5 million or more Shares be disclosed in this Prospectus, such details including all the particulars required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) in respect of the outstanding options granted by our Company to the grantees (other than those referred to in sub-paragraph (a)), on an aggregate basis, the following details be disclosed in this Prospectus;
  - (i) the aggregate number of such grantees and the number of Ordinary Shares subject to the options;
  - (ii) the consideration paid for the grant of the options; and
  - (iii) the exercise period and the exercise price for the options;
- (c) a list of all the grantees (including the persons referred to in sub-paragraphs (a) and (b) above) who have been granted options to acquire Ordinary Shares under the Pre-IPO Equity Incentive Plan, containing all details as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, be made available for public inspection in accordance with “Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display — Documents Available for Inspection” in Appendix V to this Prospectus; and
- (d) the particulars of the exemption be disclosed in this Prospectus and that this Prospectus will be issued on or before December 9, 2025.

Further details of the Pre-IPO Equity Incentive Plan are set forth in “Statutory and General Information — D. Pre-IPO Equity Incentive Plan” in Appendix IV to this Prospectus.

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## WAIVERS AND EXEMPTION

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### WAIVER AND CONSENT IN RELATION TO THE SUBSCRIPTION FOR SHARES BY EXISTING MINORITY SHAREHOLDER OR ITS CLOSE ASSOCIATES AS CORNERSTONE INVESTORS

Rule 10.04 of the Listing Rules provides that a person who is an existing shareholder of the issuer may only subscribe for or purchase any securities for which listing is sought which are being marketed by or on behalf of a new applicant either in his or its own name or through nominees if the conditions in Rules 10.03(1) and (2) of the Listing Rules are fulfilled.

The conditions in Rules 10.03(1) and (2) of the Listing Rules are that (i) no securities are offered to the existing shareholders on a preferential basis and no preferential treatment is given to them in the allocation of the securities; and (ii) the minimum prescribed percentage of public shareholders required by Rule 8.08(1) of the Listing Rules is achieved.

Paragraph 1C of Appendix F1 to the Listing Rules provides that, without the prior written consent of the Stock Exchange, no allocations will be permitted to directors or existing shareholders of the applicant or their close associates, whether in their own names or through nominees unless the conditions set out in Rules 10.03 and 10.04 of the Listing Rules are fulfilled.

Paragraph 13 of Chapter 4.15 of the Guide for New Listing Applicants sets out the Existing Shareholders Conditions (as defined under Chapter 4.15 of the Guide for New Listing Applicants) for the Stock Exchange to consider granting a consent and waiver for placing to existing shareholders or their close associates.

We have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 10.04 of the Listing Rules and a written consent under paragraph 1C of Appendix F1 to the Listing Rules for the subscription of Shares by (i) our existing minority Shareholders (a) Space Z PTE. LTD. and (b) Shining Light Grace Limited and (ii) the close associates of our existing minority Shareholders, (a) CDH and (b) FIL Investment, as cornerstone investors, on the following grounds which are consistent with the Existing Shareholder Conditions:

- (a) **Less than 5%:** the Joint Sponsors confirm that each of (i) Black Shadows, L.P., (ii) Fidelity China Special Situations PLC and Fidelity Funds, (iii) Space Z PTE. LTD. and (iv) Shining Light Grace Limited (collectively, the “**Existing Minority Shareholders**”) is interested in less than 5% of the Company’s voting rights prior to the completion of the Global Offering;
- (b) **Not core connected persons:** the Joint Sponsors confirm that the Existing Minority Shareholder and its close associates are not, and will not be, core connected persons (as defined under the Listing Rules) of the Company or any close associate (as defined under the Listing Rules) of any such core connected person immediately prior to or following the Global Offering;

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## WAIVERS AND EXEMPTION

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- (c) **No right to appoint Directors:** the Joint Sponsors confirm that the Existing Minority Shareholder has no right to appoint Directors (which, for the avoidance of doubt, does not include the director nomination right of a Shareholder under the Articles of Association) and does not have other special rights upon the Listing;
- (d) **No impact on public float:** the Joint Sponsors confirm that allocation to (a) Space Z PTE. LTD., (b) Shining Light Grace Limited, (c) CDH and (d) FIL Investment will not affect the Company's ability to satisfy the public float requirement as prescribed by the Stock Exchange under the waiver from strict compliance with the requirements of Rule 8.08 of the Listing Rules;
- (e) **Disclosure:** the relevant information in respect of the allocation to (a) Space Z PTE. LTD., (b) Shining Light Grace Limited, (c) CDH and (d) FIL Investment will be disclosed in this Prospectus and the allotment results announcement;
- (f) the Joint Sponsors confirm to the Stock Exchange in writing that based on (i) their discussions with the Company; and (ii) the confirmations provided to the Stock Exchange by the Company (confirmations (vii) mentioned below), and to the best of their knowledge and belief, they have no reason to believe that the Existing Minority Shareholders or its close associates received any preferential treatment in the allocation as a cornerstone investor by virtue of its relationship with the Company other than the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants, and details of the allocation will be disclosed in this Prospectus and/or the allotment results announcement, as the case may be; and
- (g) the Company confirms to the Stock Exchange in writing that no preferential treatment has been, nor will be, given to the Existing Minority Shareholders or its close associates by virtue of its relationship with the Company other than the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants, that none of the Existing Minority Shareholders or its close associates' cornerstone investment agreement contains any material terms which are more favorable to the Existing Minority Shareholders or its close associates than those in other cornerstone investment agreements.

For further information about the cornerstone investment of the close associate of the Existing Minority Shareholder, please refer to the section headed "Cornerstone Investors" in this Prospectus. For the information about the total amount of shares hold by existing shareholders or its associates upon completion of Global Offering, please refer to the section headed "History, Development and Corporate Structure" in this Prospectus.

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## **INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING**

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### **DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS**

This Prospectus, for which our Directors (including any proposed Director who is named as such in this Prospectus) collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information to the public with regard to our Group. Our Directors (including any proposed Director who is named as such in this Prospectus), having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

### **INFORMATION ON THE GLOBAL OFFERING**

This Prospectus is published solely in connection with the Hong Kong Public Offering. For applications under the Hong Kong Public Offering, this Prospectus contains the terms and conditions of the Hong Kong Public Offering. The Global Offering comprises the Hong Kong Public Offering of initially 24,057,200 Offer Shares and the International Offering of initially 216,512,800 Offer Shares (subject, in each case, to reallocation on the basis as set out in “Structure of the Global Offering”).

The Hong Kong Offer Shares are offered solely on the basis of the information contained and representations made in this Prospectus and on the terms and subject to the conditions set out herein. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this Prospectus, and any information or representation not contained herein must not be relied upon as having been authorized by our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of our or their affiliates or any of their respective directors, officers, employees, advisers, agents or representatives, or any other persons or parties involved in the Global Offering. Neither the delivery of this Prospectus nor any subscription or acquisition made under it shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this Prospectus or that the information in this Prospectus is correct as of any subsequent time.

For details of the structure of the Global Offering, including its conditions and the arrangements relating to the Over-allotment Option and stabilization, see “Structure of the Global Offering.”

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## **INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING**

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### **PROCEDURES FOR APPLICATION FOR HONG KONG OFFER SHARES**

The procedures for applying for the Hong Kong Offer Shares are set out in the section headed “How to Apply for Hong Kong Offer Shares.”

### **RESTRICTIONS ON OFFER AND SALE OF THE SHARES**

Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to, or be deemed by his/her acquisition of the Hong Kong Offer Shares to, confirm that he/she is aware of the restrictions on offers and sales of the Hong Kong Offer Shares described in this Prospectus.

No action has been taken to permit a public offering of the Offer Shares in any jurisdiction other than Hong Kong, or the distribution of this Prospectus in any jurisdiction other than Hong Kong. Accordingly, without limitation to the following, this Prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this Prospectus and the offering and sales of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Hong Kong Offer Shares have not been publicly offered or sold, directly or indirectly, in the PRC or the United States.

### **OVER-ALLOTMENT AND STABILIZATION**

Details of the arrangement relating to the Over-allotment Option and stabilization are set out in the section headed “Structure of the Global Offering.”

### **UNDERWRITING**

The listing of our Shares on the Stock Exchange is sponsored by the Joint Sponsors and the Global Offering is managed by the Joint Global Coordinators and the Overall Coordinators. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement and is subject to the Joint Global Coordinators and the Overall Coordinators (on behalf of the Underwriters) and us agreeing on the Offer Price on or before the Price Determination Date. An International Underwriting Agreement relating to the International Offering is expected to be entered into on or around Monday, December 15, 2025, subject to the Offer Price being agreed. The International Offering will be fully underwritten by the International Underwriters under the terms of the International Underwriting Agreement to be entered into. If, for any reason, the Offer Price is not agreed among the Joint Global Coordinators and the Overall Coordinators (for themselves and on behalf of the Underwriters) and us on or before the Price Determination Date, the Global Offering will not proceed and will lapse. For full information about the Underwriters and the underwriting arrangements, see “Underwriting.”

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## **INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING**

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### **APPLICATION FOR LISTING ON THE STOCK EXCHANGE**

We have applied to the Stock Exchange for the granting of the listing of, and permission to deal in (a) the Shares in issue (including the Shares to be converted from the Preferred Shares); and (b) the Shares to be issued pursuant to the Global Offering (including any Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option).

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, if the permission for the Shares to be listed on the Stock Exchange pursuant to this Prospectus has been refused before the expiration of three weeks from the date of the closing of the Global Offering or such longer period not exceeding six weeks as may, within the said three weeks, be notified to us by or on behalf of the Stock Exchange, then any allotment made on an application in pursuance of this Prospectus shall, whenever made, be void.

### **COMMENCEMENT OF DEALINGS IN THE SHARES**

Dealings in the Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, December 17, 2025. The Shares will be traded in board lots of 400 Shares each. The stock code of the Shares will be 3887.

No part of our Share is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or proposed to be sought on the Stock Exchange or any other stock exchange as of the date of this Prospectus. All the Shares will be registered on our Hong Kong Share Register in order to enable them to be traded on the Stock Exchange.

### **ADMISSION OF THE SHARES INTO CCASS**

Subject to the granting of the listing of, and permission to deal in, the Shares on the Stock Exchange and our compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date as determined by HKSCC. Settlement of transactions between Exchange Participants (as defined in the Listing Rules) is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the HKSCC Rules and HKSCC Operational Procedures in effect from time to time. Investors should seek the advice of their stockbroker or other professional advisor for details of the settlement arrangements as such arrangements may affect their rights and interests. All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

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## **INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING**

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### **HONG KONG REGISTER OF MEMBERS AND HONG KONG STAMP DUTY**

Our Company's principal register of members will be maintained by our principal share registrar and transfer office, Ogier Global (Cayman) Limited, in the Cayman Islands. All of the Shares issued pursuant to the Global Offering will be registered on our Company's Hong Kong Share register of members to be maintained in Hong Kong by our Hong Kong Share Registrar, Tricor Investor Services Limited. Dealings in the Shares registered in our Company's Hong Kong Share register of members will be subject to Hong Kong stamp duty. Unless determined otherwise by our Company, dividends payable in Hong Kong dollars in respect of the Shares will be paid to the Shareholders listed on the Hong Kong Share register of members of our Company, by ordinary post, at the Shareholders' risk, to the registered address of each Shareholder.

### **PROFESSIONAL TAX ADVICE RECOMMENDED**

Potential investors in the Global Offering are recommended to consult their professional advisers as to the taxation implications of subscribing for, purchasing, holding or disposing of, and/or dealing in the Shares or exercising rights attached to them. None of us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Underwriters, any of their respective directors, officers, employees, agents or representatives or any other person or party involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, purchase, holding, disposition of, or dealing in, or the exercise of any rights in relation to, the Shares.

### **EXCHANGE RATE CONVERSION**

Solely for your convenience, this Prospectus contains translations among certain Renminbi amounts into Hong Kong dollars and of Renminbi amounts into U.S. dollars at specified rates.

Unless indicated otherwise, the translation of Renminbi into Hong Kong dollars and of Renminbi into U.S. dollars, and vice versa, in this Prospectus was made at the following rates: RMB0.9088 to HK\$1.00; RMB7.0759 to US\$1.00; and HK\$7.7862 to US\$1.00. No representation is made that any amounts in Renminbi, Hong Kong dollars or U.S. dollars can be or could have been at the relevant dates converted at the above rates or any other rates or at all.

### **LANGUAGE**

Translated English names of Chinese laws and regulations, governmental authorities, departments, entities (including subsidiaries of our Group), institutions, natural persons, facilities, certificates, titles and the like included in this Prospectus and for which no official English translation exists are unofficial translations for identification purposes only. In the event of any inconsistency, the Chinese name shall prevail.

**ROUNDING**

Certain amounts and percentage figures included in this Prospectus have been subject to rounding adjustments, or have been rounded to one or two decimal places. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figure preceding them. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

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## DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

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### DIRECTORS

Name	Address	Nationality
<b>Executive Director</b>		
Dr. Xiao Feng (肖風)	Residence 1424 K11 Artus Victoria Dockside, 18 Salisbury Road Kowloon Hong Kong	Chinese
<b>Non-executive Director</b>		
Mr. Lu Weiding (魯偉鼎)	21/F, No. 99 Lujiazui West Road Pudong New Area Shanghai PRC	Chinese
<b>Independent non-executive Directors</b>		
Mr. Chan Jessey Ting (陳汀)	130 Gellert Drive San Francisco, California 94132 United States	United States
Ms. Lin Lynn Zhihong (林志紅)	3001A, Concordia Plaza No. 32 Xiaoyun Road Chaoyang District Beijing PRC	United States
Mr. Huang Sidney Xuande (黃宣德)	80 Holland Park London W11 3SG United Kingdom	United States

For further information of our Directors, please see the section headed “Directors and Senior Management” in this Prospectus.

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## DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

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### PARTIES INVOLVED IN THE GLOBAL OFFERING

#### Joint Sponsors

**J.P. Morgan Securities (Far East) Limited**  
28/F, Chater House  
8 Connaught Road Central  
Hong Kong

**Guotai Junan Capital Limited**  
27/F, Low Block  
Grand Millennium Plaza  
181 Queen's Road Central  
Hong Kong

#### Sponsor-Overall Coordinators

**J.P. Morgan Securities (Asia Pacific) Limited**  
28/F, Chater House  
8 Connaught Road Central  
Hong Kong

**Guotai Junan Securities (Hong Kong) Limited**  
27/F, Low Block  
Grand Millennium Plaza  
181 Queen's Road Central  
Hong Kong

#### Overall Coordinators

**J.P. Morgan Securities (Asia Pacific) Limited**  
28/F, Chater House  
8 Connaught Road Central  
Hong Kong

**Guotai Junan Securities (Hong Kong) Limited**  
27/F, Low Block  
Grand Millennium Plaza  
181 Queen's Road Central  
Hong Kong

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## DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

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**Joint Global Coordinators, Joint  
Bookrunners, and Joint Lead Managers**

**J.P. Morgan Securities (Asia Pacific)  
Limited**  
28/F, Chater House  
8 Connaught Road Central  
Hong Kong

**Guotai Junan Securities (Hong Kong)  
Limited**  
27/F, Low Block  
Grand Millennium Plaza  
181 Queen's Road  
Central  
Hong Kong

**Futu Securities International (Hong  
Kong) Limited**  
34/F, United Centre  
No. 95 Queensway  
Admiralty Hong Kong

**Joint Bookrunners, and Joint Lead  
Managers (in alphabetical order)**

**CMB International Capital Limited**  
45th Floor, Champion Tower  
3 Garden Road  
Central  
Hong Kong

**Tiger Brokers (HK) Global Limited**  
23/F, Li Po Chun Chambers  
189 Des Voeux Road Central  
Hong Kong

**Victory Securities Company Limited**  
11th Floor, Yardley Commercial Building  
3 Connaught Road West  
Sheung Wan, Hong Kong

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## DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

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### **Joint Lead Managers**

*(in alphabetical order)*

### **Eddid Securities and Futures Limited**

21/F, CITIC Tower  
1 Tim Mei Avenue  
Central Hong Kong

### **First Shanghai Securities Limited**

19/F, Wing On House  
71 Des Voeux Road Central  
Hong Kong

### **Huatai Financial Holdings (Hong Kong) Limited**

62/F, The Center  
99 Queen's Road Central  
Hong Kong

### **Capital Market Intermediaries**

### **J.P. Morgan Securities (Asia Pacific) Limited**

28/F, Chater House  
8 Connaught Road Central  
Hong Kong

### **Guotai Junan Securities (Hong Kong) Limited**

27/F, Low Block  
Grand Millennium Plaza  
181 Queen's Road Central  
Hong Kong

*(in alphabetical order)*

### **CMB International Capital Limited**

45th Floor, Champion Tower  
3 Garden Road Central  
Hong Kong

### **Eddid Securities and Futures Limited**

21/F, CITIC Tower  
1 Tim Mei Avenue  
Central Hong Kong

### **First Shanghai Securities Limited**

19/F, Wing On House  
71 Des Voeux Road Central  
Hong Kong

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**DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING**

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**Futu Securities International  
(Hong Kong) Limited**  
34/F, United Centre  
No. 95 Queensway  
Admiralty Hong Kong

**Huatai Financial Holdings  
(Hong Kong) Limited**  
62/F, The Center  
99 Queen's Road Central  
Hong Kong

**Tiger Brokers (HK) Global Limited**  
23/F, Li Po Chun Chambers  
189 Des Voeux Road Central  
Hong Kong

**Victory Securities Company Limited**  
11th Floor, Yardley Commercial Building  
3 Connaught Road West  
Sheung Wan, Hong Kong

**Legal advisers to our Company**

*As to Hong Kong and United States laws:*

**Davis Polk & Wardwell**  
10/F, The Hong Kong Club Building  
3A Chater Road  
Central  
Hong Kong

*As to Cayman Islands laws:*

**Ogier**  
11/F, Central Tower  
28 Queen's Road Central  
Central  
Hong Kong

**Legal advisers to the Joint Sponsors and  
the Underwriters**

*As to Hong Kong and United States laws:*

**Simpson Thacher & Bartlett**  
35th Floor, ICBC Tower  
3 Garden Road  
Central  
Hong Kong

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## DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

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**Auditor and Reporting Accountants**

**KPMG**

*Certified Public Accountants*  
*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

**Industry Consultant**

**Frost & Sullivan Limited**

Unit 3006, 30/F  
Two Exchange Square  
8 Connaught Place, Central  
Hong Kong

**Compliance Adviser**

**Guotai Junan Capital Limited**

27/F, Low Block  
Grand Millennium Plaza  
181 Queen's Road Central  
Hong Kong

**Receiving Bank**

**Standard Chartered Bank (Hong Kong)  
Limited**

18/F, Standard Chartered Tower  
388 Kwun Tong Road  
Hong Kong

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## CORPORATE INFORMATION

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<b>Registered Office</b>	89 Nexus Way Camana Bay Grand Cayman KY1-9009 Cayman Islands
<b>Headquarters and Principal Place of Business in Hong Kong</b>	14th Floor, Three Exchange Square 8 Connaught Place Central Hong Kong
<b>Company's Website</b>	<b><u><a href="https://group.hashkey.com">https://group.hashkey.com</a></u></b> <i>(the information contained on this website does not form part of this Prospectus)</i>
<b>Company Secretary</b>	<b>Ms. Tang King Yin (鄧景賢)</b> <i>(Chartered Secretary, Chartered Governance Professional, associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)</i>  Room 1912, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
<b>Authorized Representatives</b>	<b>Dr. Xiao Feng</b> 14th Floor, Three Exchange Square 8 Connaught Place Central Hong Kong  <b>Ms. Tang King Yin</b> Room 1912, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
<b>Audit Committee</b>	Mr. Chan Jessey Ting Ms. Lin Lynn Zhihong Mr. Huang Sidney Xuande ( <i>Chairperson</i> )

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## CORPORATE INFORMATION

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**Remuneration Committee**

Mr. Chan Jessey Ting (*Chairperson*)  
Ms. Lin Lynn Zhihong  
Mr. Huang Sidney Xuande

**Nomination Committee**

Mr. Chan Jessey Ting  
Ms. Lin Lynn Zhihong (*Chairperson*)  
Mr. Huang Sidney Xuande

**Principal Share Registrar**

**Ogier Global (Cayman) Limited**  
89 Nexus Way  
Camana Bay, Grand Cayman  
KY1-9009 Cayman Islands

**Hong Kong Share Registrar**

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

**Principal Bank**

**Standard Chartered Bank (Hong Kong) Limited**  
18/F, Standard Chartered Tower  
388 Kwun Tong Road  
Hong Kong

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## INDUSTRY OVERVIEW

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*The information and statistics set out in this section and other sections of this Prospectus were extracted from the Frost & Sullivan Report, and from various official government publications and other publicly available publications. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the Global Offering. We believe that the information has been derived from appropriate sources and we have taken reasonable care in extracting and reproducing such information. However, the information from official government sources has not been independently verified by us, the Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers, Underwriters, any of their respective directors and advisers, or any other persons or parties involved in the Global Offering, and no representation is given as to its accuracy. For more details of the risks relating to our industry, see “Risk Factors” in this Prospectus.*

### OVERVIEW OF THE DIGITAL ASSET ECONOMY

Today’s financial system has supported global commerce at scale for more than a century, enabled by continuous innovation and growth. Yet, it is reliant on architecture developed in a pre-digital era. Transactions often pass through multiple intermediaries, creating high fees, settlement delays and counterparty risk. At the same time, high cost-to-serve and rigid onboarding processes leave billions of people underserved or excluded from participating in the global financial system.

In parallel, a new digital financial system for the internet age is emerging. Like the early internet, which began from simple applications with compounding network effects that ultimately transformed entire industries, blockchain networks, which are built on distributed ledgers, are laying the foundation for a faster, more transparent and programmable financial system. More importantly, users can directly own assets on-chain, aligning their incentives with the growth of the network. This ownership dynamic deepens conviction, accelerates adoption and strengthens the resilience of the ecosystem.

- **Faster and lower costs.** Blockchain networks eliminate layers of reconciliation and reduce reliance on intermediaries, allowing 24/7/365 transactions to settle in seconds at internet speed. This lowers fees, reduces counterparty risk and improves accessibility.
- **Secure and transparent.** Distributed ledgers are updated simultaneously across many participants, making transaction history tamper-resistant and auditable in real-time. This ensures data integrity since transactions can be verified anytime.

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## INDUSTRY OVERVIEW

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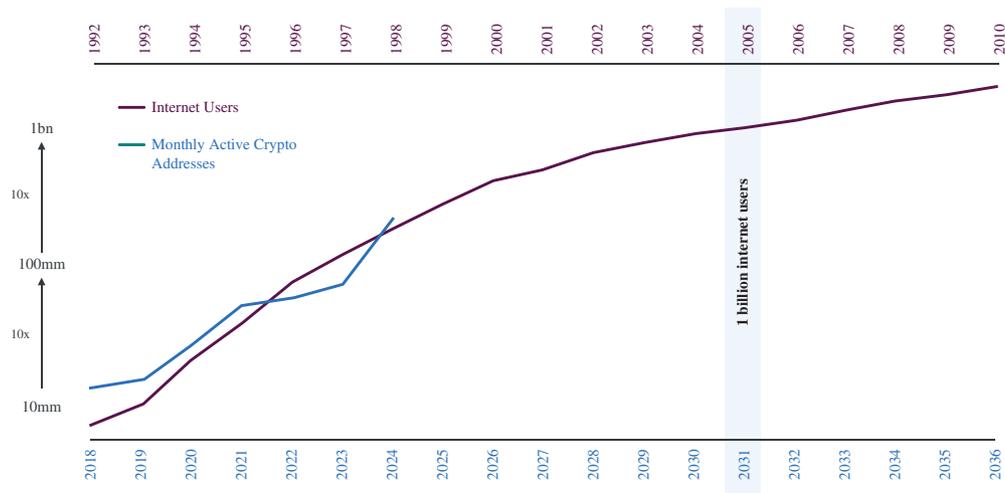
- **Programmable and more use cases.** From Bitcoin as a store of value to stablecoins for payments, to P2P financial applications for borrowing and lending, the inherent programmability of smart contracts unlocks a growing set of use cases such as digital marketplaces, decentralized identity, storage and governance.

### Growth of Digital Assets and Increasing Mainstream Adoption

Bitcoin, the first digital asset, was created in 2009 and quickly gained early traction as a decentralized store of value and medium of exchange. Initially a niche interest, digital assets have become a mainstream component of the global financial system and a multi-trillion dollar asset class. As of the Latest Practicable Date, the digital asset market has reached a market capitalization of USD4.0 trillion with over 18,000 digital asset tokens in circulation.

With blockchain technology maturing, regulatory clarity advancing and user participation increasing, digital assets are widely seen as approaching an “Internet 1995” moment — a pivotal inflection point of mainstream adoption. In 1995, the internet was recognized as entering its commercialization phase. Similarly, monthly active digital asset addresses reached a record of 220 million in September 2024, tripling since the end of 2023, a growth pattern reminiscent of the rapid rise of early internet adoption.

### Internet Adoption vs. Digital Assets Adoption (Log Scale)



Source: International Telecommunication Union, Frost & Sullivan

- **Regulatory clarity.** Major jurisdictions have introduced clearer frameworks for digital assets in recent years, including the U.S. GENIUS Act (2025), the EU’s Markets in Crypto-Assets Regulation (2023), and Hong Kong’s Virtual Asset Trading Platform regime (2023). By creating a more supportive and well-defined ecosystem for digital assets, the growing regulatory clarity not only fosters a safer environment by reducing investment risk and building confidence through tangible safeguards for investor protection and market integrity, but also actively encourages

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## INDUSTRY OVERVIEW

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broader participation by providing the foundation for an expanding range of use cases and product innovation. What's more important, a clear regulatory environment is a prerequisite for large-scale institutional participation, as firms with strict fiduciary duties require legal certainty to deploy capital. By unlocking these substantial pools of capital, enabling an expanding scope of use cases and products, and signaling long-term government endorsement, such policies lay the foundation for sustainable market growth beyond speculative interest.

- **Increasing institutional participation.** Global financial institutions such as BlackRock, Fidelity and J.P. Morgan offer digital asset services and invest in the sector. Spot Bitcoin and Ether ETFs have attracted over USD165 billion of inflows. Corporate treasury holdings (e.g. Strategy, Metaplanet) and tokenisation pilots for treasuries, bonds and funds are also gaining traction.
- **Growing adoption.** Mainstream adoption is accelerating, supported by proven use cases that are driving more users into the digital asset ecosystem. In parallel, developer activity remains strong with over 27,000 active developers across major blockchain networks.

As the digital assets economy expands, so does the demand for the services that support them. Digital asset services form the backbone of the emerging digital financial system and comprise infrastructure and platforms that enable users to issue, trade, invest, manage and store their digital assets. These include exchanges, custody providers, staking node validators and asset managers. The digital asset services market is typically divided into three sub-segments: transaction facilitation services, on-chain services and asset management services.

### Key Trends

#### *Trading Activity Migrating from Offshore to Onshore Venues*

In the early stages, when regulatory clarity was limited, majority of trading occurred on unlicensed offshore exchanges. These platforms often lacked incentives to apply proper standards for compliance, governance and risk management. This contributed to several high-profile failures including Mt. Gox, FTX and Voyager, which undermined confidence and set back the industry. In recent years, however, a growing amount of licensed onshore exchanges have emerged, regulated under statutory requirements for AML/KYC and client asset protection, as major jurisdictions such as United States, Europe, Hong Kong and Singapore introduced more robust and clearer digital asset frameworks.

As a result, trading activity is progressively migrating from offshore to onshore exchanges, which are positioned to capture not only retail users, but also growing institutional flows seeking safe and compliant access to digital assets. Reflecting this shift, onshore trading volumes is expected to grow by 48.9% between 2024 to 2029, outpacing the 19.6% growth of offshore volumes over the same period. Moreover, onshore volumes are expected to increase their share of total volumes from 16.3% in 2024 to 36.8% in 2029, reflecting the structural migration of liquidity towards onshore venues.

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## INDUSTRY OVERVIEW

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### *Accelerating “Digital Twin” Tokenisation*

The first wave of digital assets consisted of digital-native tokens such as Bitcoin and Ethereum. These have established themselves as a multi-trillion dollar asset class and are expected to continue growing as adoption deepens. At the same time, the market is also broadening from “digital-native” assets (數字原生) to include tokenised “digital twin” assets (數字孿生), blockchain-based representations of off-chain assets such as stablecoins, equities, bonds, commodities, real estate and private funds.

While still at an early stage, the potential opportunity for “digital twin” tokens is vastly larger. The market value of digital-native assets reached USD4.0 trillion as of the Latest Practicable Date, compared to the addressable market of USD126.7 trillion for equities alone, and USD271.8 trillion when including both equities and bonds. Stablecoins have already demonstrated product-market fit and recorded more than USD27 trillion in trading volume in 2024. Beyond replicating existing instruments, tokenisation also enables 24/7/365 trading, near-immediate settlement, fractional ownership and broader investor access, unlocking liquidity in historically illiquid assets.

Initial tokenisation efforts are led by regulated and compliant players, including licensed onshore exchanges, custodians and fintech companies. These institutions serve as the bridge between traditional finance and digital asset, and play a central role in scaling tokenisation as adoption accelerates. Tokenisation initiatives typically require close collaboration with traditional asset managers and financial institutions, and they favor partners who are trustworthy and demonstrate high compliance and governance standards.

### *Financial Activities are Migrating On-Chain*

Financial activities are witnessing a structural migration from off-chain ledgers maintained by centralized financial institutions to on-chain ledgers powered by blockchain technology. As blockchain technology advances, networks have become more scalable and efficient supporting higher transaction throughput and enabling a broader range of applications. Beyond simple transfers, on-chain services now span across other financial activities including lending, borrowing, trading, derivatives, perpetuals, structured products, insurance and stable-coin enabled payments.

This migration is reshaping strategies across the financial ecosystem. Digital asset and fintech players are building own chains to capture distribution and monetization opportunities (e.g. Coinbase/Base, Circle/Arc, Crypto.com/Cronos). Corporations are issuing assets on-chain to simplify settlement, lower costs and broaden access to global investor base (e.g. BlackRock’s tokenised fund BUIDL, Fidelity’s money market fund FDIT, J.P. Morgan’s stablecoin JPMD). At the same time, traditional firms are entering through Crypto-as-a-Service (CaaS) models and white-label solutions, leveraging regulated infrastructure providers to offer digital asset services to their clients. Investors are allocating capital to on-chain markets, which represent some of the most liquid, globally accessible pools with lower transaction costs.

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## INDUSTRY OVERVIEW

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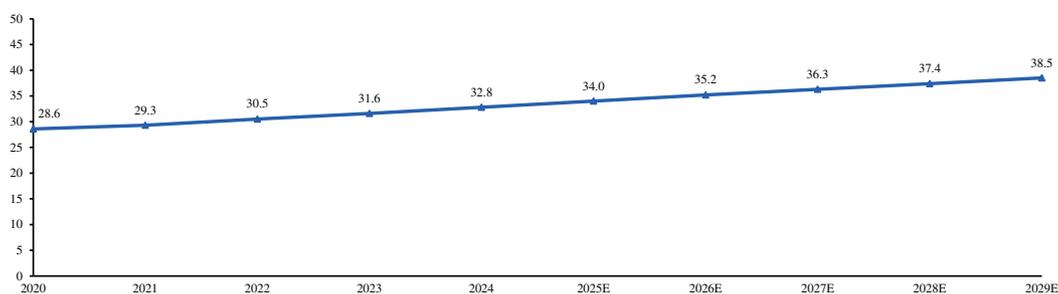
### Cost Analysis

The industries that the Group operates in primarily involves staff cost and transaction expense. Staff cost which generally account for 35% to 55% of total operating expense. The monthly median wage for employees engaged in financial activities in Hong Kong has been rising steadily, with the median monthly wage climbing from a baseline of HK\$28.6 thousand in 2020 to HK\$32.8 thousand in 2024, reflecting a CAGR of 3.5%, and is expected to grow at a CAGR of 3.3% during 2024 to 2029, consistent with the broader inflationary environment.

### Monthly Median Wage for Employees Engaged in Financial Activities in Hong Kong

HKD Thousand, 2020-2029E

	2020-2024	2024-2029E
CAGR	3.5%	3.3%



Source: Frost & Sullivan

Transaction expense consists of both liquidity fee, which are paid to source and sustain adequate liquidity across trading pairs to minimize price slippage and provide a stable trading environment, and blockchain network fee which paid to network validators or miners to process and confirm on-chain transactions, such as the withdrawal, deposits and payments. Transaction expense can vary ranging from approximately 5% to 30% of revenue depending on scale of operation.

## OVERVIEW OF GLOBAL DIGITAL ASSET TRANSACTION FACILITATION SERVICES MARKET

### Introduction of Digital Asset Transaction Facilitation Services

Transaction facilitation services refer to centralized exchanges that enable the buying, selling, and exchanging of digital assets between parties. These platforms act as intermediaries, providing core market infrastructure such as order matching and execution, market making and liquidity provision, as well as settlement and clearing operations. In a centralized exchange model, trades occur through the platform's order book rather than directly on-chain. There are

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## INDUSTRY OVERVIEW

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two main types of providers competing in the digital asset transaction facilitation services market, namely onshore digital asset transaction facilitation providers and offshore digital asset transaction facilitation providers.

Onshore digital assets exchanges conduct business operations only under registered entities which are licensed and regulated by jurisdictions that have implemented comprehensive statutory frameworks for digital assets. These frameworks typically include conditions such as AML and KYC compliance, minimum capital requirements, custody standards, segregation of client assets, cybersecurity, and ongoing supervisory reporting. While onshore exchanges may serve global users, such activities are undertaken through, and subject to, the legal entity that holds the relevant license in its host jurisdiction. Transactions executed by global users are regulated under such licensed entities. The primary objective of this regulatory oversight is to ensure market integrity, provide clear legal recourse for users, and safeguard customer funds through enforceable legal and operational standards, creating an accountable and closely supervised environment where both the provider's obligations and the customer's rights are clearly defined by law.

The critical distinction between an onshore and an offshore provider lies not in the mere possession of a license, but in whether the operation is conducted fully through the onshore regulated entity that holds that license. Certain digital asset transaction facilitation service provider may obtain an onshore license for market credibility while servicing users through separate, unregulated offshore entities. For offshore providers, the regulatory protections and legal recourse of the license do not apply, creating a gap between perceived and actual oversight. In contrast, onshore providers integrate licensing and operations within each jurisdiction, ensuring all activities are conducted exclusively through locally regulated entities, and guaranteeing every client is protected by a comprehensive and legally enforceable framework. The Group is a fully compliant onshore provider, committed to full compliance and licensure within every jurisdiction it operates.

Key jurisdictions such as Hong Kong, Singapore, the United Arab Emirates, Japan, Bermuda, and Ireland are clear examples of onshore environments. Hong Kong's SFC imposes a comprehensive dual-licensing VASP regime, established in 2023, with stringent requirements for capital, custody, mandatory insurance, and investor protection. Similarly, the Bermuda Monetary Authority ("BMA") offers a tiered licensing framework under its Digital Asset Business Act, established in 2018, mandating robust governance, AML compliance, risk management, and the mandatory segregation and bankruptcy remoteness of client assets. The Monetary Authority of Singapore ("MAS") licenses and supervises digital payment token service providers under the Payment Services Act 2019, which governs Singapore-based activities and imposes stringent requirements on AML, technology risk management, and the safeguarding of customer assets. In the United Arab Emirates, Dubai's Virtual Assets Regulatory Authority ("VARA"), established under its 2022 Virtual Assets Law, provides a framework mandating licensing across various activities, strict market conduct rules, and strong consumer protection measures. Japan regulates the sector through its Financial Services Agency ("FSA"), which, following key amendments to the Payment Services Act in 2017, requires providers to register and adhere to stringent operational requirements, including

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## INDUSTRY OVERVIEW

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robust cybersecurity, cold storage of assets, and the strict segregation of customer funds. As a member of the European Union, Ireland is implementing the landmark Markets in Crypto-Assets Regulation (“MiCAR”), enacted in 2023. This EU-wide framework, overseen locally by bodies such as the Central Bank of Ireland (“CBI”), introduces harmonized rules for crypto-asset service providers, including authorization requirements, capital reserves, investor protection, and market abuse prevention, building upon Ireland’s existing AML registration regime for VASPs.

Offshore digital assets exchanges conduct business operations under entities which are not legally licensed nor regulated within jurisdictions that have implemented comprehensive statutory frameworks for digital assets. They may also be incorporated or registered in jurisdictions that do not have equivalent statutory frameworks, or they may be operating without a clear place of business, offering services globally without local authorization or local regulatory oversight. Such exchanges generally prioritize operational flexibility, and may apply limited or unstandardized KYC/AML requirements compared with licensed onshore exchanges. However, certain risks may arise for users of offshore providers. For example, the absence of guaranteed segregation between client assets and corporate funds can lead to commingling and expose customers to potential losses in the event of insolvency. In addition, as offshore providers may have no physical presence or enforceable legal obligations within the user’s jurisdiction, users often lack clear avenues for legal recourse or dispute resolution. Furthermore, without mandatory public disclosures or regulatory audits, the provider’s financial condition, internal controls, and reserve levels remain opaque, resulting in heightened counterparty risk.

In practice, certain exchange groups may operate through multiple affiliated entities and various business lines of operations. Certain activities may be conducted under licensed entities within recognized regulatory regimes, while other activities may be undertaken outside such licensed entities which are not subject appropriate regulations. Accordingly, the same brand, while may hold some licensed entities, may simultaneously operate offshore businesses at the group level.

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## INDUSTRY OVERVIEW

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While users may choose between the two depending on their specific needs, onshore providers are expected to emerge as the key market participants due to stringent customer onboarding processes ensuring compliance and investor protection, provision of regulated and transparent products and services, direct fiat access through licensed banking channels, and asset security regimes supported by regulatory oversight. The table below sets out the comparison between onshore and offshore providers.

	<u>Onshore providers</u>	<u>Offshore providers</u>
<b>Regulatory Status</b>	<ul style="list-style-type: none"> <li>Conducts business operations only under registered entities which are licensed and regulated by jurisdictions that have implemented comprehensive statutory frameworks for digital assets.</li> </ul>	<ul style="list-style-type: none"> <li>Conducts business operations under entities which are not legally licensed nor regulated within jurisdictions that have implemented comprehensive statutory frameworks for digital assets.</li> </ul>
<b>Customer Acquisition</b>	<ul style="list-style-type: none"> <li>Provides services only to customers who have completed full KYC verification and comply with AML requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Onboards customers with limited or no KYC/AML procedures.</li> </ul>
<b>Types of Services Provided</b>	<ul style="list-style-type: none"> <li>Offers regulated and compliant products and services approved by relevant authorities.</li> </ul>	<ul style="list-style-type: none"> <li>Provides products that are not subject to regulations or prior regulatory approvals, which entail higher operational and legal risks.</li> </ul>
<b>Fiat Access</b>	<ul style="list-style-type: none"> <li>Provides direct access to regulated banking systems, allowing users to deposit, withdraw, and convert fiat currencies securely.</li> </ul>	<ul style="list-style-type: none"> <li>Lacks direct access to traditional banking systems, often relying on third-party payment processors or P2P transfers, which may carry additional risks and lack standardized oversight.</li> </ul>
<b>Asset Security</b>	<ul style="list-style-type: none"> <li>Adheres to strict custody and cybersecurity standards mandated by regulators, including segregation of client assets and protection under licensed custodial arrangements, offering legal recourse in the event of loss or mismanagement.</li> </ul>	<ul style="list-style-type: none"> <li>Lacks formal assurance or regulatory protection for user assets, with no guarantee if assets are hacked, stolen, or compromised, and users typically have limited or no legal recourse due to the absence of regulation.</li> </ul>
<b>Risk Appetite of Target Customers</b>	<ul style="list-style-type: none"> <li>Exhibits a prudent risk appetite driven by the need for asset safety, robust regulatory protection, and guaranteed legal recourse provided by a fully compliant framework.</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrates a significantly higher and more aggressive risk appetite, prioritizes access to higher leverage, and financial anonymity while accepting the associated counterparty risks and lack of clear legal recourse.</li> </ul>

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## INDUSTRY OVERVIEW

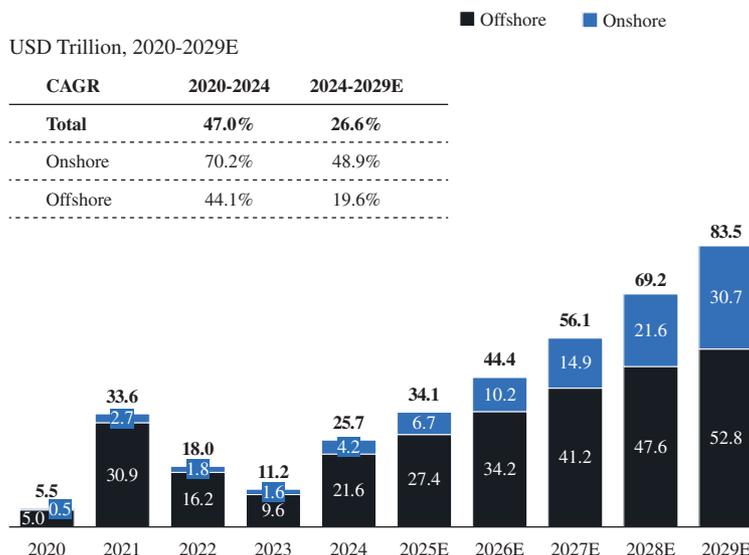
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### Size of Global Digital Asset Transaction Facilitation Services Market

The global digital asset transaction facilitation services market opportunity is rapidly growing, with outsized contribution from onshore. The size of global digital asset transaction facilitation services market, in terms of trading volume in single-sided basis, increased from USD5.5 trillion in 2020 to USD25.7 trillion in 2024, representing a CAGR of 47.0%. Following the bull market in 2021, global digital asset trading volumes declined notably in 2022 and 2023, primarily triggered by a series of high-profile collapses among offshore service providers, most notably FTX, which undermined investor confidence at that time and consequently led to a sharp decline in digital asset prices. For example, price of Bitcoin dropped from over USD60,000 in late 2021 to below USD20,000 by mid-2022, eroding investors' unrealized gains and weakening overall trading enthusiasm. In addition, heightened regulatory scrutiny in major markets such as the U.S. and Europe introduced compliance uncertainty for exchanges and custodians, discouraging market-making activities and limiting institutional participation. Looking forward, the size of global digital asset transaction facilitation market is expected to increase at a CAGR of 26.6% to reach USD83.5 trillion in 2029. The moderation in the forecast growth reflects not only the natural impact of a larger market base but also the market's transition toward a more stable, compliant, and institutionally driven growth phase. As the development of digital asset matures, the pace of expansion is expected to naturally normalize, shifting from speculative surges to sustainable growth supported by clearer regulation and diversified applications. Increasing regulatory oversight across major jurisdictions is fostering greater transparency and investor protection, which, while moderating short-term trading activity, lays the foundation for long-term institutional confidence. Moreover, as the digital asset market and its investor base mature, market participants are expected to place less emphasis on speculative coins that previously contributed to trading volumes. Together, these factors suggest a healthier and more resilient growth trajectory, in contrast to the rapid but volatile expansion seen in previous years. Onshore trading volumes have expanded rapidly, rising from USD0.5 trillion in 2020 to USD4.2 trillion in 2024, representing a CAGR of 70.2%, as licensed venues across the U.S., EU, and Asia gained traction with improved regulation, fiat access, and institutional participation. The momentum is expected to continue, with market size reaching USD30.7 trillion, representing a CAGR of 48.9% during 2024 to 2029.

## INDUSTRY OVERVIEW

### Size of Global Digital Asset Transaction Facilitation Service Market, in terms of Trading Volume



Source: Coindesk, Coingecko, Coinmarketcap, Frost & Sullivan

Trading of digital assets is playing a more significant role. Trading volume of digital assets compared to trading volume of cash equity rose from 5.3% of the combined total in 2020 to 24.1% in 2024, and is projected to reach 43.8% by 2029, driven by deeper liquidity, broader participation, and improved infrastructure.

#### Market Opportunity in Asia

Asia accounts for a substantial portion of global onshore market, accounting for USD2.2 trillion in 2024 (or 52.4% of global onshore market) and projected to expand at a CAGR of 49.8% to reach USD16.6 trillion by 2029. Similar to the global market, the decline in trading volume in Asia was primarily triggered by a series of high-profile collapses among offshore service providers, which undermined investor confidence at that time and consequently led to a sharp decline in digital asset prices. The moderation in the forecast growth reflects the natural effect of a larger market and a transition toward more sustainable growth supported by clearer regulatory recognition and strengthened regulatory oversight in Asia. Increasing retail adoption and institutional participation with regulatory clarity are positioning key digital asset gateway regions such as Hong Kong, Singapore, Japan and South Korea as financial hubs for compliant transaction facilitation. Other notable highly active markets include Thailand, Vietnam and the Philippines.

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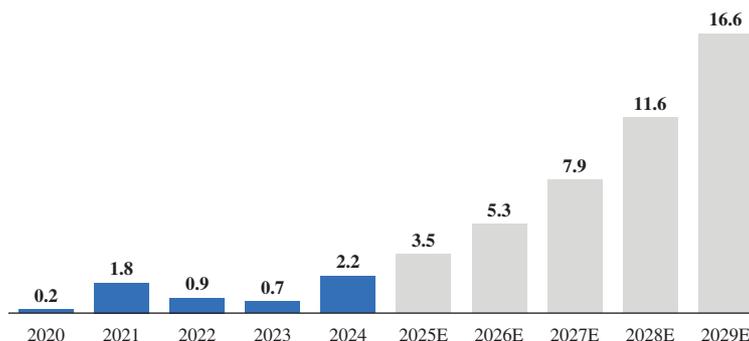
## INDUSTRY OVERVIEW

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### Size of Digital Asset Transaction Facilitation Service Market in Asia, in terms of Onshore Trading Volume

USD Trillion, 2020-2029E

	2020-2024	2024-2029E
CAGR	82.1%	49.8%



Source: Coindesk, Coingecko, Coinmarketcap, Frost & Sullivan

Among these, Hong Kong is uniquely positioned to lead Asia’s digital asset market as one of the world’s leading financial centers. Its comprehensive VASP/VATP regime provides institutional-grade standards for custody, client protection, and compliance. With a mature brokerage culture, an active retail investor base, and its established role as a gateway for global capital, Hong Kong presents a significant opportunity to serve both local demand and attract international institutional flows. The size of transaction facilitation services market in Hong Kong has risen from roughly USD1 billion in 2020 to USD26 billion in 2024, representing a CAGR of 125.8%, and is expected to grow at a CAGR of 63.0% to USD299 billion in 2029. Similar to the global market, the decline in trading volume in Hong Kong was primarily triggered by a series of high-profile collapses among offshore service providers, which undermined investor confidence at that time and consequently led to a sharp decline in digital asset prices. The moderation in the forecast growth reflects the natural effect of a larger market and a transition toward more sustainable growth in Hong Kong supported by clearer regulation such as VASP/VATP regimes.

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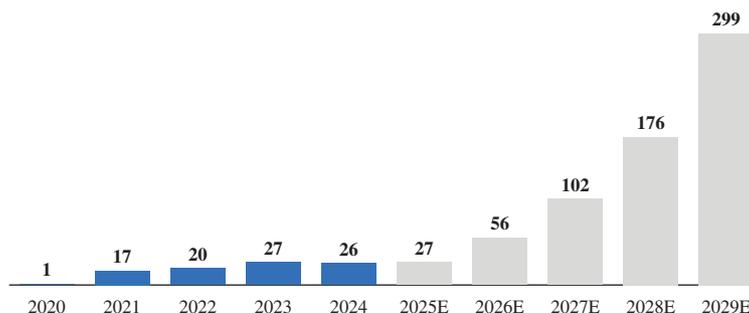
## INDUSTRY OVERVIEW

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### Size of Digital Asset Transaction Facilitation Service Market in Hong Kong, in terms of Onshore Trading Volume

USD Billion, 2020-2029E

	2020-2024	2024-2029E
CAGR	125.8%	63.0%



Source: Coindesk, Coingecko, Coinmarketcap, Frost & Sullivan

### Key Trends in the Digital Assets Transaction Facilitation Services Market

- **Increasing institutional participation.** Institutional trading volume represent 65.0% of total global trading volume in 2024 and is expected to grow by a CAGR of 30.6% between 2024 and 2029, reaching a proportion of 76.0% of the total global trading volume by 2029, outpacing growth of retail trading volume. They also represent a more stable source of trading volume and revenue, and prefer licensed platforms. At the same time, traditional companies are increasingly looking to offer digital asset services to clients but lack native infrastructure. Rather than building from scratch, they partner with digital asset companies by integrating their white-label APIs to achieve faster time to market (e.g. Coinbase Prime’s partnership with BlackRock).
- **Growing retail adoption.** Retail investors continue to be a meaningful driver of trading volume, driven by the accessibility of 24/7/365 trading, mobile-first applications and lower entry thresholds. The global transaction facilitation services market for retail has grown from USD3.1 trillion in 2020 to USD9.0 trillion in 2024, representing a CAGR of 30.5%, and is expected to grow at a CAGR of 17.3% to USD20.0 trillion in 2029.
- **Rise of all-in-one platforms.** Scale is increasingly strategic as more players seek to become a full-service provider with deep liquidity. Larger liquidity pools enable tighter spreads and more efficient price discovery process. In contrast, smaller players such as single market players often struggle with fragmented order books, limited depth and fewer offerings, making it difficult to compete. As a result, there is increasing consolidation within the industry (e.g. Coinbase acquisition of Deribit, Kraken acquisition of NinjaTrader) and trend towards fewer but larger regional/global platforms.

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## INDUSTRY OVERVIEW

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### Threats and Challenges of the Digital Asset Transaction Facilitation Services Market

- **Market downturn.** A market downturn in digital asset prices poses a threat to the digital asset transaction facilitation services market. When asset prices remain depressed for an extended period, investor sentiment weakens and speculative participation diminishes, leading to lower trading volumes and reduced transaction frequency. Lower market liquidity and user engagement directly translate into declining revenues and profitability, which may accelerate user attrition, delay new user acquisition, and discourage institutional participation, further constraining the growth of the digital asset facilitation services market.
- **Cybersecurity and custody risk.** Exchanges are a primary target for large, sophisticated hacks and thefts due to the high value and irreversible nature of digital asset transactions. Breaches, thefts, or even perceived weaknesses in custody infrastructure can trigger rapid user withdrawals, liquidity stress, and potential insolvency events. Beyond the immediate financial loss, security incidents often result in lasting reputational damage, regulatory scrutiny, and erosion of user trust — factors that can be difficult to recover from in a market where credibility and asset protection are paramount.

### Competitive Landscape of Digital Asset Transaction Facilitation Services Market

Based on trading volume by sellers and purchasers on a gross basis in 2024, the Company

- ranks sixth among global onshore digital asset transaction facilitation services providers
- is the largest regional onshore digital asset transaction facilitation services provider in Asia
- is the largest digital asset transaction facilitation services provider in Hong Kong

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## INDUSTRY OVERVIEW

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### Ranking of Global Transaction Facilitation Services Providers, 2024

Ranking	Company	Headquarter	Place of Operation	Onshore Trading Volume (USD Billion, 2024)	Market Share (%)
1	Company A	South Korea	South Korea	2,522	30.0%
2	Company B	The United States	The United States, Canada, Germany, Singapore, Australia, Argentina, Ireland, Spain, France, Italy, the Netherlands, and the United Kingdom, Bermuda	2,324	27.7%
3	Company C	South Korea	South Korea	804	9.6%
4	Company D	The United States	The United States, Canada, Cyprus, Ireland, the United Kingdom, Argentina, Australia, Bermuda	644	7.7%
5	Company E	Netherlands	The Netherlands	232	2.8%
6	<b>The Group</b>	Hong Kong	Hong Kong, Bermuda, Singapore	82	1.0%

Source: Frost & Sullivan

Notes:

- (1) Company A is a private company founded in 2017 in South Korea, which primarily provides digital transaction facilitation services with a leading market share in the South Korean market.
- (2) Company B is a public company founded in 2012 in the United States, which primarily a secure online platform for buying, selling, transferring, and storing cryptocurrency.
- (3) Company C is a private company founded in 2014 in South Korea, which primarily provides digital transaction facilitation services, offering a wide selection of digital assets.
- (4) Company D is a private company founded in 2011 in the United States, which primarily provides global digital transaction facilitation services with a focus on security and advanced trading features like margin and futures trading.
- (5) Company E is a private company founded in 2018 in the Netherlands, which primarily provides digital transaction facilitation services for the European market.

### Entry Barriers of the Digital Asset Transaction Facilitation Services Market

- **Licenses and compliance.** Licensing regime creates a significant entry barrier, which requires significant capital, external assessments, and custodian partnerships, as evidenced by the few approvals granted to date. Increased regulatory scrutiny is raising the bar for market entry, pressuring exchanges to operate within formal licensing frameworks, accelerating a market-wide shift toward onshore platforms.
- **Brand reputation and trust.** Heightened caution pushes users and institutions toward established, licensed operators, creating a significant hurdle for new, unknown entrants. For example, in Hong Kong, SFC licensing confers immediate credibility versus offshore players. Transparent audits, proof of reserves, strong governance, clear asset segregation, and partnerships with traditional institutions to build confidence, raising entry barriers for new entrants.

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## INDUSTRY OVERVIEW

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- **Liquidity and operation management capability.** A major entry barrier in the digital asset transaction facilitation services market lies in the ability to effectively manage liquidity and ensure stable, efficient operations. Leading service providers maintain deep liquidity pools across multiple trading pairs and exchanges, allowing them to provide users with competitive spreads and seamless transaction execution. Achieving this level of liquidity management requires sophisticated operation management capabilities. In addition, strong operational management is critical for managing large transaction volumes, and complying with jurisdictional requirements such as KYC/AML and asset segregation. New entrants without mature liquidity networks or proven operational infrastructure may face significant challenges in the market.

### OVERVIEW OF GLOBAL DIGITAL ASSET ON-CHAIN SERVICES MARKET

#### Introduction of Digital Asset On-chain Services

Digital asset on-chain services refer to service offerings provided on blockchain networks. These services mainly include staking and tokenisation. On-chain services are executed on public distributed ledgers via smart contracts, ensuring transparent and tamper-resistant transactions on the blockchain.

- **Staking.** Under proof-of-stake (PoS) networks, token holders can participate in securing the network by staking their tokens directly or delegating to a professional node validator who manages the technical operations. In exchange, stakers earn rewards that are distributed by the protocol. For those that delegate, the node validators shares staking rewards with the delegating users.
- **Tokenisation.** The process of creating digital tokens on the blockchain that represent ownership or rights to of real-world assets, such as equities, bonds, real estate, and commodities. These tokens can be traded, transferred and settled directly on-chain 24/7/365, enabling blockchain participants to obtain fractional ownership of these tokenised assets and enhancing on-chain liquidity.

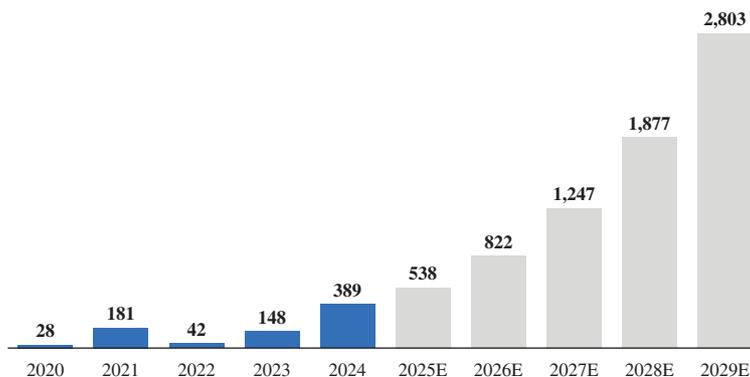
The size of global staking services market increased from USD28 billion in 2020 to USD389 billion in 2024, representing a CAGR of 93.2%. Similar to the digital asset transaction facilitation market, the sharp contraction of the staking services market in 2022 and 2023 was primarily driven by the decline in PoS token prices. The steep drop in major PoS assets such as Ethereum and Solana reduced the total value of assets under staking. This price correction was driven by a combination of factors, including high-profile market collapses, heightened regulatory uncertainty, and broader macroeconomic pressures stemming from rising inflation and interest rates in key markets such as the United States. Consequently, the falling asset valuations led to a notable decrease in the overall value of staked assets during the period. Market size is expected to further increase at a CAGR of 48.4% to USD2,803 billion in 2029. As the market for staking services matures and the total value of assets under staking increases, the growth rate naturally slows down. In the earlier stages of market development, staking services benefitted from rapid adoption and high growth, driven by speculative investments and new network launches. However, with a larger market base, the growth rate is expected to stabilize.

## INDUSTRY OVERVIEW

### Size of Global Staking Services Market, in terms of Assets Under Staking

USD Billion, 2020-2029E

	2020-2024	2024-2029E
<b>CAGR</b>	93.2%	48.4%

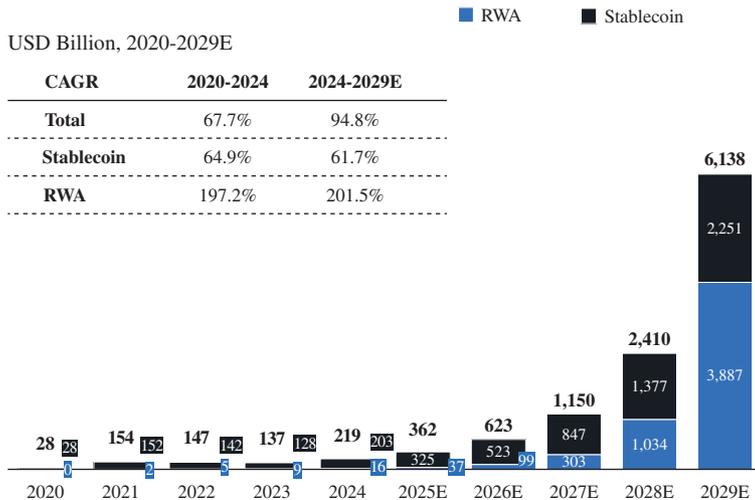


*Source: Staked, Frost & Sullivan*

The size of global tokenisation services market increased from USD28 billion in 2020 to USD219 billion in 2024, representing a CAGR of 67.7%. Although the decline in the global tokenization services market size in 2022 and 2023 was relatively moderate compared to the digital asset transaction facilitation and staking services markets, the price decrease still undermined investor confidence, particularly in stablecoins and RWA tokenization projects, causing the slight decline. Market size is expected to further increase at a CAGR of 94.8% to USD6,138 billion in 2029. The moderation in the forecast growth from 2024 to 2029 reflects the market’s transition from its early rapid expansion phase to a more mature and regulated stage of development. As the base of tokenized assets grows larger, incremental growth naturally slows. In addition, increasing regulatory oversight across major jurisdictions is expected to enhance market credibility and institutional adoption but also temper the speed of growth as stabcoins and RWA must meet higher transparency and compliance standards.

## INDUSTRY OVERVIEW

### Size of Global Tokenisation Services Market, in terms of Tokenised Value



Source: rwa.xyz, Frost & Sullivan

### Key Trends in the Digital Asset On-chain Services Market

- Emergence of liquid staking and restaking protocols.** Staking has become a foundational on-chain service with the transition of major blockchains to PoS mechanism. Beyond direct participation, the emergence of liquid staking protocols such as Lido and Rocket Pool, as well as restaking platforms like EigenLayer and EtherFi, has expanded accessibility and improved capital efficiency. These solutions allow users to earn staking rewards while simultaneously deploying assets into DeFi and other application, transforming staking from a technical function into both a security layer and a core yield-generating product.
- Companies developing their own proprietary chains.** Leading companies, technology firms and digital asset companies are increasingly launching their own blockchains to control distribution, enable monetization and expand user base. Examples include Coinbase/Base, Robinhood launching Layer 2 chain, and Circle launching ARC. This allows companies to capture a larger portion of the transaction stack, and integrate native products to lock in and reinforce their ecosystems.
- Scalable infrastructure driving more on-chain activities.** On-chain activity is accelerating as scalable infrastructure supports more use cases beyond simple transfers. Stablecoin settlement volumes surpassed USD27 trillion in 2024, achieving true product-market fit. At the same time, tokenisation of real-world assets as well as better blockchain networks that support higher transaction velocity at lower costs are driving more use cases and applications.

## INDUSTRY OVERVIEW

### Threats and Challenges of the Digital Asset On-chain Services Market

- Demand for further regulatory response to support a wider involvement of participants.** While on-chain services have shown significant potential for innovation and growth, the lack of clear and supportive regulatory frameworks hampers the ability to scale and attract broader participation including many mainstream institutions. Many potential participants might be hesitant to engage in on-chain services due to concerns over regulatory uncertainty and legal compliance. To unlock the full potential of on-chain services, there is a critical need for regulators to establish supportive, clear, and adaptive frameworks that can facilitate the entry of more mainstream institutions and drive further market maturation.
- Liquidity constraints.** While tokenisation aims to improve asset liquidity, secondary markets for tokenized assets are still fragmented and underdeveloped. Limited trading venues and inconsistent interoperability standards can restrict liquidity and price discovery, undermining one of tokenization’s core value propositions.
- Ensuring trustworthy tokenization of assets.** For tokenized assets to gain broader acceptance, the process of transferring off-chain assets to on-chain representations must be made trustworthy and secure. This involves developing advanced technologies such as IoT hardware devices, that ensure the accurate and secure linking of real-world assets to the blockchain. Additionally, contracts are essential in validating the authenticity and ownership of tokenized assets, providing an added layer of security and reliability. Ensuring trustworthy tokenization of assets will be key in building trust and facilitating the widespread adoption of tokenization services.

### Competitive Landscape of Digital Asset On-chain Services Market

The Company ranks eighth among global digital asset on-chain services providers, and was also the largest digital asset on-chain services provider in Asia as of December 31, 2024.

#### Ranking of Global Digital Asset On-chain Services Providers, 2024

Ranking	Company	Headquarter	Places of Operation	AUM (USD Billion, 2024)	Market Share (%)
1	Company F	Cayman Islands	Finland	36.8	9.5%
2	Company B	The United States	The United States, Germany, Singapore, Australia, Canada	18.6	4.8%
3	Company G	Cayman Islands	Cayman Islands, The United States	15.8	4.1%
4	Company H	France	France, The United States, The United Kingdom, Singapore	8.8	2.3%
5	Company I	Malta	Australia, Brazil, Hong Kong, Japan	7.3	1.9%
6	Company J	Cayman Islands	The United States, Brazil	6.6	1.7%
7	Company K	The United States	The United States, The United Kingdom	4.2	1.1%
8	<b>The Group</b>	Hong Kong	Hong Kong	3.6	0.9%

Source: Staking Rewards, Frost & Sullivan

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## INDUSTRY OVERVIEW

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*Notes:*

- (1) Company F is a private company founded in 2020, which primarily provides liquid staking solutions for Ethereum.
- (2) Company B is a public company founded in 2012 in the USA, which primarily provides a secure online platform for buying, selling, transferring, and storing cryptocurrency.
- (3) Company G is a private company founded in 2022 in the Cayman Islands, which primarily provides Ethereum staking services.
- (4) Company H is a private company founded in 2018 in France, which primarily provides an enterprise-grade staking platform.
- (5) Company I is a private company founded in 2017 and headquartered in Malta, which primarily provides cryptocurrency trading and staking services.
- (6) Company J is a private company founded in 2018 in the Cayman Islands, which primarily provides non-custodial staking infrastructure and technology for intermediaries.
- (7) Company K is a private company founded in 2017 in the USA, which primarily provides non-custodial staking solutions for cryptocurrencies.

### **Entry Barriers of the Digital Asset On-chain Services Market**

- **Comprehensive management ability.** A critical entry barrier in the digital asset on-chain services market lies in the ability to manage the entire networks, from asset issuance and custody to compliant trading. Successful providers must not only have the capacity to filter and select high-quality assets but also offer robust solutions for ensuring liquidity across the market. This includes establishing a network of partners, exchanges, and liquidity pools that can facilitate seamless asset transfers and trading. New entrants face significant challenges in building such a comprehensive network, as it requires substantial expertise, infrastructure, and regulatory compliance. Without the ability to provide liquidity and ensure the reliability and security of transactions throughout the lifecycle of digital assets, new entrants will struggle to gain traction and compete with established providers who have already built integrated, trusted solutions.
- **Technical infrastructure.** Both tokenisation and staking services require complex and resource-intensive technical infrastructure. For tokenisation, providers must design and maintain smart contract frameworks, establish secure oracle connections for off-chain data feeds, and ensure seamless integration with blockchain networks to represent and manage real-world assets on-chain. For staking, maintaining validator nodes with high performance and security is resource-intensive, as downtime or mismanagement can result in slashing penalties. Building and maintaining such infrastructure demands specialized technical expertise and ongoing investment, creating a significant barrier for new entrants.

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## INDUSTRY OVERVIEW

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### OVERVIEW OF GLOBAL DIGITAL ASSET MANAGEMENT SERVICES MARKET

#### Introduction of Digital Asset Management Services

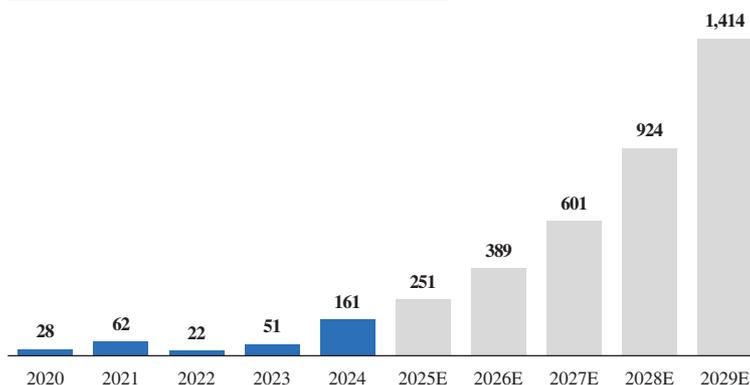
Digital asset management services refer to professional investment management of portfolios mainly comprising cryptocurrencies, tokenised real-world assets, blockchain-based financial instruments. Offerings are diversified across private and public vehicles, active and passive strategies, and are targeted at both retail and institutional investors. Digital asset management service providers are fund managers that manage investments on behalf of their clients by leveraging their expertise in digital assets and aligning portfolio decisions with clients' investment objectives. This allows clients to participate in the rapidly evolving digital asset market through professionally managed and structured investment strategies.

The global digital asset management services market increased from USD28 billion in 2020 to USD161 billion in 2024, representing a CAGR of 54.6%. The contraction in market size was primarily driven by the sharp decline in digital asset prices, caused by weakening investor sentiment and heightened macroeconomic uncertainty following the 2021 bull market. Major cryptocurrencies such as Bitcoin and Ethereum lost substantial value from their 2021 peaks, directly reducing portfolio valuations and overall AUM even. A series of high-profile market failures further undermined confidence in digital asset products, leading many investors to withdraw capital or shift to self-custody. Additionally, rising global inflation and interest rate hikes in major economies, including the United States, changes investment appetite, prompting investors to rebalance portfolios toward safer, yield-bearing traditional assets such as bonds. Market size is expected to further increase at a CAGR of 54.5% to USD1,414 billion in 2029. Similar to the other markets, the moderation in the forecast growth from 2024 to 2029 reflects the gradual maturation and stabilization of the global digital asset management market. As the market base expands, the pace of growth naturally slows due to the larger denominator effect. With clearer regulation, the global asset management services market is expected to enter a more sustainable and structurally sound growth phase.

#### Size of Global Digital Asset Management Services Market, in terms of AUM

USD Billion, 2020-2029E

	2020-2024	2024-2029E
CAGR	54.6%	54.5%



Source: CoinShares, Frost & Sullivan

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## INDUSTRY OVERVIEW

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### Key Trends in the Digital Asset Management Services Market

- **Digital Assets to become a mainstream form of alternative investment.** Digital assets are increasingly acknowledged by both institutional and retail investors as a mainstream asset class. Adding crypto to the investment portfolio helps increase total expected return while lowering volatility. Digital assets are gradually seen as a way for institutions to enjoy the upside brought by the technological shift to Web3 and more blockchain-based applications.
- **Crypto ETFs unlocking broader investor access.** ETFs provide a simple entry point into the digital assets space via traditional channels, without the need to interact with crypto exchanges or wallets, thereby broadening access to a wider spectrum of investors. Besides lowering entry barriers, ETFs are generally subject to stricter regulations over custody, compliance and liquidity, which help target relatively prudent retail investors and conservative global pensions funds, improving capital access.
- **Prevalence of digital asset treasury strategies.** More companies are adopting digital asset treasury (DAT) strategies. Digital assets are purchased and held as treasury assets, helping corporates balance liquidity, generate yield and diversify risks. This also provides them with a lever to utilize digital assets within their business strategies, such as integrating cryptocurrencies as a means for payment settlement. For example, Metaplanets utilizes a Bitcoin treasury strategy, creating a dual nature for its business and driving return on equity from a combination of revenue from normal business operations and potential upside from Bitcoin value appreciation.

### Threats and Challenges of the Digital Asset Management Services Market

- **Market volatility.** Digital assets are highly volatile, with prices often driven by speculative sentiment rather than fundamentals. Sharp drawdowns — particularly in speculative coins — can rapidly erode assets under management and strain fund liquidity. Such volatility amplifies the risk of forced liquidations and may threaten fund solvency during market stress, underscoring the need for disciplined leverage limits and robust real-time risk management frameworks.
- **Cybersecurity and custody risks.** Security remains a fundamental threat to the integrity of digital asset management. Unlike traditional finance, the self-custodial nature of digital assets means that a single security failure — such as a private key compromise — can lead to irreversible loss. The limited availability of comprehensive insurance for digital asset loss further amplifies exposure, leaving managers to bear most operational risk themselves.

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## INDUSTRY OVERVIEW

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### Competitive Landscape of Digital Asset Management Services Market

The Company is the largest digital asset management services providers in Asia, in terms of AUM for digital assets as of December 31, 2024.

#### Ranking of Asian Digital Asset Management Services Providers, 2024

Ranking	Company	Headquarter	AUM (USD Billion, 2024)
1	The Group	Hong Kong	0.9
2	Company L	Singapore	0.8
3	Company M	South Korea	0.6
4	Company N	Singapore	0.5
5	Company O	Hong Kong	0.5

Source: Desk research, Frost & Sullivan

#### Notes:

- (1) Company L is a public company founded in 2017 in Hong Kong, which primarily provides an all-in-one crypto finance platform that brings e-wallets, payment providers, exchanges, and other blockchain-enabled tools and technologies under one roof.
- (2) Company M is a private company founded in 2017 in South Korea, which is primarily a venture capital firm seeking to invest in the cryptocurrency and blockchain sectors.
- (3) Company N is a private company founded in 2018 in Singapore, which is a Web3 firm, specializing in M&A, restructuring, and capital raises.
- (4) Company O is a private company founded in 2016 in Hong Kong, which is a venture capital company focused solely on blockchain investments.
- (5) Ranking is based on comparisons among digital asset management services providers only, rather than traditional asset managers that invest across other asset classes.

### Entry Barriers of the Digital Asset Management Services Market

- **Regulatory and compliance barriers.** The digital asset management services providers operate under stringent and evolving regulatory regimes across jurisdictions. Obtaining licenses for asset management, custody, or advisory services requires extensive legal expertise, compliance infrastructure, and ongoing monitoring of AML, KYC, and counter-terrorist financing obligations, which hinder new market entrants to enter the market.
- **Specialized investment expertise and market understanding.** Unlike traditional asset classes, digital assets exhibit distinct market dynamics, valuation logic, and risk factors that require specialized knowledge to manage effectively. Understanding tokenomics,

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## INDUSTRY OVERVIEW

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blockchain protocols, staking mechanisms, and DeFi yield structures is critical to portfolio construction and risk control. Services providers lacking specialized investment expertise and market understanding often struggle to generate sustainable returns or mitigate operational risks.

- **Evolving industry knowledge requirement.** A key entry barrier in the digital asset management services market is the necessity for participants to stay continuously updated with the rapid evolution of the industry. The market is constantly changing, driven by technological advancements, regulatory shifts, and evolving market dynamics, which demands participants to possess the ability to understand ongoing innovations and adapt to emerging trends. For new entrants, acquiring and maintaining frontier knowledge, along with the agility to implement innovations swiftly, presents a significant challenge. Established players, who have already developed the expertise and infrastructure to navigate this fast-paced environment, hold a competitive edge in maintaining market leadership.

### REPORT COMMISSIONED BY FROST & SULLIVAN

In connection with the Global Offering, we have engaged Frost & Sullivan to conduct a detailed analysis and to prepare an industry report on our markets. Frost & Sullivan is an independent global market research and consulting company founded in 1961 and is based in the United States. Services provided by Frost & Sullivan include market assessments, competitive benchmarking, and strategic and market planning for a variety of industries.

We have included certain information from the Frost & Sullivan Report in this Prospectus because we believe such information facilitates an understanding of our markets for potential investors. Frost & Sullivan prepared its report based on its in-house database, independent third-party reports and publicly available data from reputable industry organizations. Where necessary, Frost & Sullivan contacts companies operating in the industry to gather and synthesize information in relation to the market, prices and other relevant information. Frost & Sullivan believes that the basic assumptions used in preparing the Frost & Sullivan Report, including those used to make future projections, are factual, correct and not misleading. Frost & Sullivan has independently analyzed the information, but the accuracy of the conclusions of its review largely relies on the accuracy of the information collected. Frost & Sullivan research may be affected by the accuracy of these assumptions and the choice of these primary and secondary sources.

We have agreed to pay Frost & Sullivan a fee of US\$88,000 for the preparation of the Frost & Sullivan Report. The payment of such amount was not contingent upon our successful listing or on the content of the Frost & Sullivan Report. Except for the Frost & Sullivan Report, we did not commission any other industry report in connection with the Global Offering. We confirm that after taking reasonable care, there has been no adverse change in the market information since the date of the report prepared by Frost & Sullivan which may qualify, contradict or have an impact on the information set forth in this section in any material respect.

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## REGULATORY OVERVIEW

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This section sets forth a summary of the principal laws, rules and regulations in the Hong Kong, Singapore, Bermuda, Cayman Islands, UAE, Japan and Ireland that are relevant to our business.

### OVERVIEW OF THE LAWS AND REGULATIONS RELATING TO OUR BUSINESS AND OPERATIONS IN HONG KONG

As we provide digital asset-related services from our subsidiaries in Hong Kong, our business operations are subject to the laws of Hong Kong. The key laws and regulations which relate to our business and operations in Hong Kong are summarized as follows:

#### Introduction

The Securities and Futures Ordinance (Cap. 571) (“**SFO**”) and its subsidiary legislations are the main sets of laws for regulating the securities and future industry in Hong Kong. The SFO covers the regulation of securities, futures and leveraged foreign exchange markets, the public offering of investments, and intermediaries and their licensed activities. In particular, Part V of the SFO deals with licensing and registration matters.

The Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) (“**AMLO**”) sets out statutory obligations of Hong Kong companies to prevent money laundering and terrorist financing. Under the AMLO, virtual asset trading platform operators must implement robust anti-money laundering (“**AML**”) and counter-terrorist financing (“**CTF**”) controls, and ensure ongoing compliance with statutory and regulatory standards. In particular, Part 5B of the AMLO deals with licensing and registration matters for operators of virtual asset trading platforms (“**VATPs**”) in Hong Kong.

The SFO and regulations relating to VATP in the AMLO are administered by the Securities and Futures Commission (“**SFC**”), an independent statutory body responsible for regulating Hong Kong’s securities and futures markets and the non-bank leveraged foreign exchange market.

Furthermore, the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) (“**CWUMPO**”), together with its subsidiary legislation, allows the SFC to approve and register prospectuses that offer shares or debentures to the public in Hong Kong, and to grant exemptions from strict compliance with CWUMPO’s provisions. The SFO further provides that the SFC is responsible for authorizing certain securities (including the relevant offering documents) that are not shares or debentures.

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## REGULATORY OVERVIEW

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### Types of Regulated Activities

The SFO sets out a licensing regime under which a person must obtain a license to carry on a business in any of the following regulated activities, as defined in Schedule 5 of the SFO:

License	Regulated Activity
License . . . . .	Regulated Activity
Type 1: . . . . .	Dealing in securities
Type 2: . . . . .	Dealing in futures contracts
Type 3: . . . . .	Leveraged foreign exchange trading
Type 4: . . . . .	Advising on securities
Type 5: . . . . .	Advising on futures contracts
Type 6: . . . . .	Advising on corporate finance
Type 7: . . . . .	Providing automated trading services
Type 8: . . . . .	Securities margin financing
Type 9: . . . . .	Asset management
Type 10: . . . . .	Providing credit rating services
Type 11: . . . . .	Dealing in OTC derivative products or advising on OTC derivative products <sup>(1)</sup>
Type 12: . . . . .	Providing client clearing services for OTC derivative transactions <sup>(2)</sup>
Type 13: . . . . .	Providing depository services for relevant CISs <sup>(3)</sup>

*Notes:*

- (1) The amendments to the SFO relating to Type 11 regulated activity are not yet in operation. The day on which the Type 11 regulated activity will come into operation will be appointed by the Secretary for Financial Services and the Treasury Bureau by notice published in the Gazette.
- (2) The Type 12 regulated activity introduced under the Securities and Futures (Amendment) Ordinance 2014 (6 of 2014) came into operation on September 1, 2016, but only in respect of paragraph (c) of the new definition of excluded services in Part 2 of Schedule 5 to the SFO. The licensing requirement for Type 12 regulated activity is not yet in operation, and its effective date will be appointed by the Secretary for Financial Services and the Treasury Bureau by notice published in the Gazette.
- (3) The Type 13 regulated activity, relating to the provision of depository services for collective investment schemes (“CISs”) authorized by the SFC for retail distribution, came into effect on October 2, 2024. Trustees and custodians carrying on such services in Hong Kong are required to be licensed or registered with the SFC. Amendments to the SFO and subsidiary legislation, as well as updates to the SFC Code of Conduct and Guidelines on Competence, also took effect on the same day.

Part 5B of the AMLO sets out a licensing regime under which a person must obtain a license to provide virtual asset services (operating a virtual asset exchange).

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## REGULATORY OVERVIEW

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### Overview of Licensing Requirements

#### *Licensing Requirements under the SFO*

Under the SFO, any person who carries on a business in a regulated activity or holds themselves out as carrying on a business in a regulated activity must be licensed under the relevant provisions of the SFO to conduct that activity, unless an exemption under the SFO applies. This requirement applies both to corporations carrying on a business in a regulated activity and to individuals acting on behalf of such corporations. Conducting any regulated activity without the appropriate licence issued by the SFC is an offense.

Furthermore, if a person, either themselves or through any other person acting on their behalf, and whether in Hong Kong or from a place outside of Hong Kong, actively markets to the public in Hong Kong any services that they provide, and those services would be a regulated activity if provided in Hong Kong, then that person is also subject to the licensing requirements under the SFO.

#### *Responsible Officers*

To conduct any regulated activity, a licensed corporation must appoint at least two Responsible Officers for each regulated activity it carries out, with at least one of them being an executive director, to supervise each regulated activity.

An “executive director” of a licensed corporation refers to a director who (a) actively takes part in or (b) directly supervises the business of the regulated activity or activities for which the corporation is licensed. Every executive director who is an individual must apply to the SFC to be approved as a Responsible Officer of the licensed corporation for the relevant regulated activities.

#### *Managers-in-Charge of Core Functions, or MICs*

A licensed corporation must appoint certain individuals as Managers-In-Charge (“MICs”) and submit details about its MICs and their reporting lines to the SFC. MICs are individuals selected by the licensed corporation to take primary responsibility, either alone or with others, for managing each of the following eight core functions of the licensed corporation:

- (a) overall management oversight;
- (b) key business lines;
- (c) operational control and review;
- (d) risk management;
- (e) finance and accounting;

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## REGULATORY OVERVIEW

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- (f) information technology;
- (g) compliance; and
- (h) anti-money laundering and counter-terrorist financing.

The board of directors of a licensed corporation should approve its management structure, including the appointment of MICs. The board must also ensure that each MIC has formally acknowledged its appointment and the specific core function(s) for which they are principally responsible.

### *Licensed Representatives*

Apart from the licensing requirements that apply to corporations engaging in regulated activities, any individual who:

- (a) performs any regulated function for his principal, which is a licensed corporation, in relation to a regulated activity carried on as a business; or
- (b) holds himself out as performing such a regulated function,

must also obtain a separate licence from the SFC as a Licensed Representative accredited to their principal.

### *Fit and Proper Requirement*

Any person applying for a licence to conduct regulated activities under the SFO must show the SFC that they are, and continue to be, fit and proper to hold such a licence. The SFC's Fit and Proper Guidelines, issued under section 399 of the SFO, outline the main areas the SFC will review when assessing an applicant's fitness and propriety. Effective from January 1, 2022, additional fit and proper guidelines for corporations and authorized financial institutions applying or acting as sponsors or compliance advisers are set out in the Guidelines on Competence and Guidelines on Continuous Professional Training.

Under the Fit and Proper Guidelines, the SFC will consider the following matters relating to the applicant, in addition to any other issues it may consider relevant:

- (a) the financial status or solvency;
- (b) the educational or other qualifications or experience, having regard to the nature of the functions to be performed;
- (c) the ability to carry on the regulated activity competently, honestly and fairly; and
- (d) the reputation, character, reliability and financial integrity.

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The SFC will assess the above factors in respect of the person (if the applicant is an individual), the corporation and any of its officers (if the applicant is a corporation), or the institution, its directors, chief executive, managers and executive officers (if the applicant is an authorized financial institution).

In addition to the above, the SFC may also consider the following matters:

- (a) any decisions made by the HKMA, the Insurance Authority, the Mandatory Provident Fund Schemes Authority or any other authorities or organizations performing similar functions as those of SFC (in the SFC's opinion), whether in Hong Kong or elsewhere, in respect of the applicant;
- (b) any information relating to:
  - (i) any person who is or is to be employed by, or associated with, the applicant for the purpose of the regulated activity in question;
  - (ii) any person who will be acting for or on behalf of the applicant in relation to the regulated activity in question; and
  - (iii) if the applicant is a corporation in a group of companies, any other corporation within the same group of companies or any substantial shareholder or officer of any such corporation;
- (c) whether the applicant has established effective internal control procedures and risk management systems to ensure its compliance with all applicable regulatory requirements under any of the relevant provisions; and
- (d) the state of affairs of any other business which the person carries on or proposes to carry on.

### *Licensing Requirements of VATP operators under the AMLO*

Under the AMLO, any person carrying on a business of providing a virtual asset service in Hong Kong, or actively marketing to the Hong Kong public any such service (whether in Hong Kong or from elsewhere), must obtain an AMLO license from the SFC, unless an exemption under the AMLO applies. This requirement specifically applies to corporations carrying on such businesses and to all individuals performing regulated functions for or on behalf of those corporations.

It is an offense to carry on a regulated virtual asset service or to actively market such services to the Hong Kong investing public without the required licence(s). A VATP operator will be required to obtain dual licensing, that is, a SFO licence and/or an AMLO licence, if it engages in the relevant activities as follows: (a) operating centralized platforms providing trading services in security tokens using an automated trading engine which matches client

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orders and also providing custody services as an ancillary service to their trading services, where the VATP operator will be conducting Type 1 (dealing in securities) and Type 7 (providing automated trading services) regulated activities under the SFO; and (b) operating centralized platforms providing trading services in non-security tokens using an automated trading engine which matches client orders and also providing custody services as an ancillary service to their trading services, where the VATP operator will need to hold the license for Operating a Virtual Asset Trading Platform under the AMLO. VATPs must demonstrate compliance with the relevant legal frameworks above.

Given that the terms and features of a virtual asset may evolve over time, a virtual asset's classification may change from a non-security token to a security token (or vice versa). To avoid contravention of the licensing regimes and to ensure business continuity, the SFC has suggested that VATPs apply for licences under both the SFO and AMLO regimes.

### *Responsible Officers*

The same requirements under the SFO licensing regime apply. See “— Licensing Requirements under the SFO — Responsible Officers.”

### *Managers-in-Charge of Core Functions, or MICs*

The same requirements under the SFO licensing regime apply. See “— Licensing Requirements under the SFO — Managers-in-Charge of Core Functions, or MICs.”

### *Licensed Representatives*

The same requirements under the SFO licensing regime apply. See “— Licensing Requirements under the SFO — Licensed Representatives.”

### *Fit and Proper Requirement*

Persons who apply for licenses to carry on a virtual asset service under the AMLO must satisfy and continue to satisfy that they are fit and proper persons to be so licensed under sections 53ZRJ and 53ZRK of the AMLO.

The same considerations illustrated in SFO licensing apply. See “— Licensing Requirements under the SFO — Fit and Proper Requirement.”

### *Financial Resources Requirement*

A VATP operator licensed in Hong Kong must meet strict financial resources requirements at all times. The VATP operator is required to maintain a minimum paid-up share capital of not less than HK\$5,000,000 and liquid capital that is the greater of HK\$3,000,000 or the “basic amount” stipulated under section 2 of the Securities and Futures (Financial Resources) Rules (Cap. 571N).

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In addition, the VATP operator must keep in Hong Kong, at all times, sufficiently liquid assets, such as cash, deposits, treasury bills, and certificates of deposit, but excluding virtual assets, equivalent to at least 12 months of actual operating expenses, calculated on a rolling basis.

### *Custody and Client Asset*

Custody of client assets is a central obligation for Hong Kong-licensed VATP operators, requiring that all client money and client virtual assets are held on trust exclusively through an “Associated Entity” that conducts no business other than receiving or holding client assets on behalf of the platform. This entity must be incorporated in Hong Kong, licensed as a trust or company service provider under the AMLO, and be a wholly owned subsidiary of the platform operator. Strict safeguards are mandated, including segregation of client assets from company assets, robust reconciliation and audit processes, comprehensive internal controls over access to client wallets, with at least 98% of client virtual assets stored in cold wallets, and strong governance of private key management and withdrawal procedures to prevent fraud, theft, or unauthorized access.

VATP operators must facilitate only client-initiated deposits and withdrawals between whitelisted addresses, maintain detailed records for at least seven years, and implement regular internal audits and insurance or compensation arrangements covering at least 50% of cold storage and all hot wallet client virtual assets. Full and transparent disclosure of custody arrangements and associated risks to clients, such as potential limitations in legal protection and recourse, risks from technological failures, or cyberattacks, is also required.

### *Licensing for Trust or Company Service Providers (“TCSP”) under the AMLO*

Anyone operating or intending to operate a trust or company service business in Hong Kong must apply for a licence under the AMLO, unless an exemption under the AMLO applies. The Companies Registry of Hong Kong administers the licensing regime for TCSPs, and it is an offense to carry on a trust or company service business in Hong Kong without a licence.

A TCSP licence, once granted, will generally be valid for three (3) years. The Companies Registry of Hong Kong is empowered to grant, refuse to grant, renew, suspend or revoke a licence, and impose or vary any conditions in relation to a licence. TCSP licensees are required to obtain prior approval from the Registrar of Companies of Hong Kong before any person becomes an ultimate owner, a partner or a director of a licensee. They should also give notifications to the Registrar of Companies of Hong Kong of any changes in particulars previously provided in connection with an application for the grant or renewal of a licence within one month of the change. A TCSP licensee who intends to cease to carry on the trust or company service business is also required to, before the intended date of cessation, notify the Registrar of Companies of Hong Kong of that intention and the intended date of cessation.

TCSP licensees are also required to comply with the statutory customer due diligence and record-keeping requirements as set out in Schedule 2 to the AMLO.

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The Companies Registry of Hong Kong published the “*Guideline on Licensing of Trust or Company Service Providers*” to provide information on the licensing requirements and the “*Guideline on Compliance of Anti-Money Laundering and Counter-Terrorist Financing Requirements for Trust or Company Service Providers*” to provide guidance on the ongoing obligations of TCSP licensees. The Registrar maintains a register of licensees, which includes the name and business address of each licensee and is open to public inspection.

### **Continuing Obligations of Licensed Corporations and SFC Licensed VATPs**

Licensed corporations, Licensed Representatives and Responsible Officers are required to remain fit and proper at all times. They must comply with all applicable provisions of the SFO and the AMLO and their subsidiary rules and regulations, as well as the codes and guidelines issued by the SFC.

Below are some of the key continuing obligations for our licensed corporation under the SFO:

- maintenance of minimum paid-up share capital and liquid capital, and submission of financial resources returns to the SFC in accordance with the requirements under the Securities and Futures (Financial Resources) Rules of Hong Kong (“**FRR**”);
- maintenance of segregated account(s), and custody and handling of client securities in accordance with the requirements under the Securities and Futures (Client Securities) Rules (Cap. 571H);
- maintenance of segregated account(s), and holding and payment of client money in accordance with the requirements under the Securities and Futures (Client Money) Rules (Cap. 571I);
- issuance of contract notes, statements of account and receipts in accordance with the requirements under the Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules (Cap. 571Q);
- maintenance of proper records in accordance with the requirements prescribed under the Securities and Futures (Keeping of Records) Rules (Cap. 571O);
- submission of audited accounts and other required documents in accordance with the requirements under the Securities and Futures (Accounts and Audit) Rules (Cap. 571P);
- maintenance of insurance against specific risks for specified amounts in accordance with the requirements under the Securities and Futures (Insurance) Rules (Cap. 571AI);

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- payment of annual fees and submission of annual returns to the SFC within one month after each anniversary date of the license;
- notification to the SFC of specific changes and events in accordance with the requirements under the Securities and Futures (Licensing and Registration (Information) Rules (Cap. 571S);
- notification to the SFC of any changes in the appointment of MICs or any changes in certain particulars of MICs pursuant to the Circular to Licensed Corporations Regarding Measures for Augmenting the Accountability of Senior Management dated December 16, 2016, issued by the SFC;
- compliance with the continuous professional training and related record keeping requirements under the Guidelines on Continuous Professional Training issued by the SFC;
- implementation of appropriate policies and procedures relating to client acceptance, client due diligence, record keeping, identification and reporting of suspicious transactions and staff screening, education and training in accordance with the requirements under the Guideline on Anti-Money Laundering and Counter-Financing of Terrorism (For Licensed Corporations and SFC-licensed Virtual Asset Service Providers) (the “**VATP AMLCTF Guidelines**”), and the Guideline on Anti-Money Laundering and Counter- Financing of Terrorism (For Licensed Corporations) issued by the SFC (the “**AMLCTF Guideline**”);
- compliance with the business conduct requirements under the Code of Conduct for Persons Licensed by or Registered with the SFC, the Management, Supervision and Internal Control Guidelines for Persons Licensed by or Registered with the Securities and Futures Commission, the Fund Manager Code of Conduct, the Guidelines for Virtual Asset Trading Platform Operators, and the Fit and Proper Guidelines;
- compliance with employee dealings requirements under the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission, which requires licensed corporations to implement procedures and policies on employee trading, to actively monitor the trading activities in their employees’ accounts and their related accounts;
- compliance with the Advertising Guidelines Applicable to Collective Investment Schemes Authorized under the Product Codes, the Guidelines on Disclosure of Fees and Charges Relating to Securities Services and other applicable codes, circulars and guidelines issued by the SFC; and

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- compliance with the requirements in relation to provision of order execution, distribution or advisory services in respect of investment products via online platforms under the Guidelines on Online Distribution and Advisory Platforms issued by the SFC.

Below are some of the key continuing obligations for our SFC Licensed VATP under the SFO and the AMLO:

- maintenance of fit and proper status at all times by the VATP and licensed representatives, and compliance with all applicable provisions of the SFO, AMLO, and the codes and guidelines issued by the SFC;
- appointment and maintenance of at least two responsible officers for the relevant activities, with at least one of whom shall be an executive director of VATP, and at least one responsible officer ordinarily should be residing in Hong Kong;
- obligation to notify the SFC and request a revocation of licence under the SFO and/or the AMLO upon intending to cease relevant activities, including (i) submission of notification of intended business cessation no later than seven business days before such cessation, (ii) submission of audited accounts within four months after the date of cessation of Relevant Activities; (iii) arrangement for the return of all client funds and/or assets as soon as practicable upon cessation of business;
- notification to the SFC of specific changes in the information provided to the SFC, pursuant to notification requirements specified in the SFO, the Securities and Futures (Licensing and Registration) (Information) Rules (Cap. 571S), and/or the AMLO;
- notification to the SFC (i) by a director of him/her becoming or ceasing to be a director of the VATP, (ii) by an associated entity of the VATP of it becoming or ceasing to be an associated entity and its financial year-end, and (iii) by a substantial shareholder or ultimate owner of changes in his/her particulars, pursuant to the SFO, the Securities and Futures (Licensing and Registration) (Information) Rules (Cap. 571S), and/or the AMLO;
- adherence to all other notification requirements for change events as detailed in the relevant provisions of the SFO and AMLO;
- submission of audited accounts and other required documents by the VATP and its associated entities within four months after (i) the end of each financial year, (ii) the VATP ceases relevant activities, or (iii) an associated entity ceases to be an associated entity, pursuant to the SFO and/or the AMLO;

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- submission of monthly financial resources returns to the SFC in accordance with the Guidelines for Virtual Asset Trading Platform Operators;
- payment of annual fees;
- submission of annual returns by the VATP and licensed individuals within one month after each licence anniversary date, pursuant to the SFO and/or the AMLO;
- planning and implementing a continuous professional training (CPT) programme for licensed representatives and performing due diligence to ensure their CPT compliance, and ensuring CPT content is relevant to the functions performed by the individual, with reference to the Guidelines for Virtual Asset Trading Platform Operators; and
- consultation with the SFC prior to group entities conducting trading and asset management services involving virtual assets or robo-advisory financial services in Hong Kong.

### *The Securities and Futures (Financial Resources) Rules of Hong Kong*

Subject to certain exemptions specified under the FRR, a licensed corporation is required to maintain minimum paid-up share capital in accordance with the FRR. The following table sets out a summary of the key requirements on minimum paid-up share capital under the FRR which are applicable to HashKey Group.

	<u>Regulated Activities</u>	<u>Minimum Amount of Paid-up Share Capital</u>
HashKey Capital Limited . . .	SFC Type 1, Type 4 and Type 9 regulated activities	HK\$5,000,000
Hash Blockchain Limited . . .	SFC Type 1 and Type 7 regulated activities Operating a Virtual Asset Trading Platform under the AMLO	HK\$5,000,000
HBS (Hong Kong) Limited . .	SFC Type 1 and Type 4 regulated activities	HK\$5,000,000

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In addition, the FRR also requires a licensed corporation to maintain a minimum liquid capital. The minimum liquid capital requirements under the FRR that are applicable to HashKey Group are:

	<u>Regulated Activities</u>	<u>Minimum Amount of Liquid Capital</u>
HashKey Capital Limited . . .	SFC Type 1, Type 4 and Type 9 regulated activities	HK\$3,000,000
Hash Blockchain Limited . . .	SFC Type 1 and Type 7 regulated activities Operating a Virtual Asset Trading Platform under the AMLO	The higher of HK\$3,000,000 and the amount in note (1) below
HBS (Hong Kong) Limited . .	SFC Type 1 and Type 4 regulated activities	HK\$3,000,000

*Note:*

- (1) subject to the “basic amount” as defined in section 2 of the FRR, which is 5% of the aggregate of (i) adjusted liabilities; (ii) the aggregate of the initial margin requirements in respect of outstanding futures contracts and outstanding unlisted options contracts held on behalf of clients; and (iii) the aggregate of the amounts of margin required to be deposited in respect of outstanding futures contracts and outstanding unlisted options contracts held on behalf of clients, to the extent that such contracts are not subject to payment of initial margin requirements.

### ***Anti-Money Laundering and Counter-Terrorist Financing***

Licensed corporations are required to comply with the applicable AML and CTF laws and regulations in Hong Kong, including the AMLCTF Guideline and the Prevention of Money Laundering and Terrorist Financing Guideline issued by the SFC for Associated Entities of Licensed Corporations and SFC-licensed Virtual Asset Service Providers.

The AMLCTF Guideline offers practical guidance to help licensed corporations and their senior management develop and put in place proper policies, procedures, and controls to meet legal and regulatory requirements in Hong Kong. Under the AMLCTF Guideline, licensed corporations should, among other things:

- assess the risks of any new products and services before they are introduced and ensure that appropriate additional measures and controls are implemented to mitigate and manage the risks associated with money laundering and terrorist financing;

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- consider the delivery and distribution channels (which may include sales through online, postal or telephone channels where a non-face-to-face account opening approach is used and business sold through intermediaries) and the extent to which they are vulnerable to abuse for money laundering and terrorist financing;
- identify the client and verify the client's identity and any beneficial owner's identity by reference to any documents, information or data from reliable and independent sources, and take steps from time to time to ensure that the client information obtained is up-to-date and relevant;
- conduct on-going monitoring of activities of the clients to ensure that they are consistent with the nature of business, the risk profile and source of funds, as well as identify transactions that are complex, large or unusual, or patterns of transactions that have no apparent economic or lawful purpose and which may indicate money laundering and terrorist financing;
- maintain a database of names and particulars of terrorist suspects and designated parties which consolidates the information from various lists that have been made known to them, as well as conduct comprehensive ongoing screening of the client database; and
- conduct ongoing monitoring for identification of suspicious transactions and ensure compliance with their legal obligations of reporting funds or property known or suspected to be proceeds of crime or terrorist property to the Joint Financial Intelligence Unit, a unit jointly run by the Hong Kong Police Force and the Hong Kong Customs and Excise Department, to monitor and investigate suspicious financial or money laundering activities.

A summary of the principal legislation in Hong Kong that is concerned with AML and CTF is set out below.

### *The AMLO*

Among other things, the AMLO places requirements on specific institutions, including licensed corporations as defined under the SFO, to carry out customer due diligence and record-keeping. The AMLO gives the relevant regulatory authorities the power to supervise compliance with the requirements under the AMLO. Financial institutions must also take all reasonable steps to (1) make sure there are proper safeguards to prevent contravention of specific provisions in the AMLO, and (2) mitigate the risks of money laundering and terrorist financing.

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### *Drug Trafficking (Recovery of Proceeds) Ordinance (Cap. 405), or the DTROP*

Among other things, the DTROP enables authorities to investigate assets suspected of being derived from drug trafficking activities, to freeze those assets when someone is arrested, and to confiscate the proceeds from drug crimes. Under the DTROP, it is a criminal offense to handle property if one knows or reasonably suspects it originates from drug trafficking. The DTROP also imposes a duty to report to the authorities whenever there is knowledge or suspicion that any property, wholly or partly and directly or indirectly, originates from or is intended for use in drug trafficking; not reporting such suspicions is itself an offense.

### *Organized and Serious Crimes Ordinance (Cap. 455), or the OSCO*

Among other things, the OSCO grants the Hong Kong Police and Customs and Excise Department the authority to investigate suspected organized crime and triad activities, and also confers jurisdiction on the Hong Kong courts to confiscate the proceeds of these crimes, issue orders to freeze or charge assets belonging to defendants under the OSCO. In addition, OSCO broadens the offense of money laundering so that it covers proceeds from all indictable crimes, not just those related to drug trafficking.

### *United Nations (Anti-Terrorism Measures) Ordinance (Cap. 575), or the UNATMO*

Among other things, the UNATMO stipulates that it is a criminal offense to: (1) provide or collect property, by any means, directly or indirectly, if one intends or knows that the property will be used, wholly or partly, to commit one or more terrorist acts; or (2) collect or solicit any property or financial (or related) services available, by any means, directly or indirectly to or for the benefit of a person known or with recklessness as to whether that person is a terrorist or terrorist associate. Additionally, anyone who knows or suspects that property is terrorist property must promptly disclose this to an authorized officer; failure to disclose such knowledge or suspicion constitutes an offense under the UNATMO.

### *Personal Data (Privacy) Ordinance (Cap. 486), or the PDPO*

The PDPO imposes a statutory duty on data users to comply with the requirements of the six data protection principles (the “**Data Protection Principles**”) set out in Schedule 1 to the PDPO. The PDPO provides that a data user must not do an act, or engage in a practice, that contravenes a Data Protection Principle unless the act or practice is required or permitted under the PDPO, as the case may be. The six Data Protection Principles are: (1) purpose and manner of collection of personal data; (2) accuracy and duration of retention of personal data; (3) use of personal data; (4) security of personal data; (5) information to be generally available; and (6) access to personal data.

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Non-compliance with a Data Protection Principle may result in a complaint to the Privacy Commissioner for Personal Data (the “**Privacy Commissioner**”). The Privacy Commissioner may serve an enforcement notice, requiring the data user to remedy the contravention and/or instigate prosecution actions. A data user who fails to comply with an enforcement notice commits an offense and may be subject to a fine and imprisonment.

The PDPO also gives data subjects certain rights, *inter alia*: (i) the right to be informed by a data user whether the data user holds personal data of which the individual is the data subject; (ii) if the data user holds such data, to be supplied with a copy of such data; and (iii) the right to request correction of any data they consider to be inaccurate.

The PDPO criminalizes, including but not limited to, the misuse or inappropriate use of personal data in direct marketing activities, failing to comply with a data access request and the unauthorized disclosure of personal data obtained without the relevant data user’s consent. If a person suffers damage, including injury to feelings, due to a breach of the PDPO involving his or her personal data, that individual may claim compensation from the responsible data user.

### **Other Guidelines, Provisions, Statements, and Circulars that are Applicable to our Virtual Asset activities**

In addition to the principal regulations, the SFO and AMLO that govern virtual asset activities in Hong Kong, our business is also subject to a range of supplementary regulatory instruments. These include guidelines, official provisions, position statements, and circulars issued by authorities such as the SFC, the FSTB, the Hong Kong Monetary Authority (“**HKMA**”) and other relevant bodies. These documents address specific topics such as tokenisation, the operation and custody of virtual assets, investor protection requirements, custody, risk management standards, cross-sectoral collaboration, technological adoption, and ongoing compliance obligations for virtual asset service providers.

### **Circular to announce the SFC Regulatory Sandbox**

On September 29, 2017, the SFC published the “*Circular to announce the SFC Regulatory Sandbox*” and launched the SFC Regulatory Sandbox on the same day as a pioneering initiative to support the use of financial technology (“**Fintech**”) innovation within Hong Kong’s financial services sector. The Sandbox provides a confined regulatory environment that allows both licensed corporations and start-up firms, deemed “qualified firms”, to conduct regulated activities under the SFO using innovative financial technologies before a full public rollout.

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Qualified firms must be fit and proper, demonstrate a genuine commitment to Fintech, and satisfy SFC licensing and financial resources requirements. The SFC may impose tailored licensing conditions during the Sandbox period, such as limiting the types of clients served or capping client exposures, and may require periodic supervisory audits or the establishment of investor compensation schemes. Firms must disclose to clients that they are operating in the Sandbox and provide clear information on potential risks and protective measures.

### ***Guideline on Anti- Laundering and Counter Financing of Terrorism (For Licensed Corporations and SFC-licensed Virtual Asset Service Providers)***

On June 1, 2023, the SFC published its seventh edition of the “*Guideline on Anti-Money Laundering and Counter-Financing of Terrorism (For Licensed Corporations and SFC-licensed Virtual Asset Service Providers)*”, detailing the statutory and regulatory requirements and standards for AML and CFT that must be met by licensed corporations (“**LCs**”) and SFC-licensed virtual asset service providers (“**VASPs**”).

LCs and VASPs must identify and verify the identity of customers and beneficial owners, understand the nature and purpose of business relationships, and apply ongoing monitoring. Institutions must implement a Risk-Based Approach for AML/CFT, conducting both institutional and customer risk assessments to ensure that resources and controls are proportionate to the identified risks. Firms are required to continuously monitor transactions, identify unusual or suspicious activities, and scrutinize complex or unusually large transactions that have no apparent economic or lawful purpose. There is also a statutory obligation to file suspicious transaction reporting (“**STRs**”) with the Joint Financial Intelligence Unit (“**JFIU**”) in cases of suspicion or knowledge of ML/TF. Firms must maintain records, including Customer Due Diligence and transaction records, for at least five years.

The guideline is enforceable under the SFO and the AMLO and covers not only traditional AML/CFT controls in securities and futures markets but also extended standards for virtual asset activities, including detailed requirements for customer onboarding, identification, virtual asset transfers (the “**travel rule**”), and ongoing monitoring unique to the risks of the virtual asset sector.

### ***Guidelines for Virtual Asset Trading Platform Operators***

On June 1, 2023, the SFC published “*Guidelines for Virtual Asset Trading Platform Operators*”, which sets out a comprehensive regulatory framework governing the conduct, operations, and risk management standards for all licensed virtual asset trading platforms in Hong Kong.

The Guidelines apply to all platform operators providing trading, custody, and OTC services for virtual assets, covering both on-platform and off-platform activities. They capture entities licensed under relevant SFO types (including dealing, advising, automated trading services, and asset management) as well as those licensed under the AMLO VATP regime, ensuring a unified set of standards and obligations for the industry.

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Platform Operators must demonstrate ongoing fitness and properness, including financial soundness, qualifications, reputation, and compliance with prescribed ethical and conduct standards. Competence requirements are specified for both corporations and individuals, mandating proper governance, internal controls, risk management, and continuous professional training for Responsible Officers (“RO”) and Licensed Representatives (“LR”).

The Guidelines prescribe strict conduct of business principles, requiring firms to act honestly, fairly, and in clients’ best interests, disclose material information, avoid conflicts of interest, ensure prompt and proper safeguarding of client assets, comply with all applicable regulations, and maintain robust record keeping. Detailed requirements address client onboarding, including knowledge assessment, risk profiling, suitability checks, exposure limits, and written client agreements with clear risk disclosures and rights.

In addition, there are also stringent custody standards, which mandate that 98% of client virtual assets be kept in cold storage, with robust internal controls on key management, reconciliations, and insurance or compensation arrangements to protect client assets against loss due to hacking, fraud, or default.

### ***Scope of External Assessment Reports***

On June 1, 2023, the SFC published the “*Scope of External Assessment Reports*”, defining the requirements for independent external assessments for all VATP operator licence applicants under the SFO and/or AMLO regimes, covering report submission, external assessor qualification requirements, and external assessment reports, with the regime streamlined on January 16, 2025 to generally require only a single post-implementation assessment.

### ***Prevention of Money Laundering and Terrorist Financing Guideline***

On June 1, 2023, the SFC published the “*Prevention of Money Laundering and Terrorist Financing Guideline issued by the Securities and Futures Commission for Associated Entities of Licensed Corporations and SFC-licensed Virtual Asset Service Providers*”, which sets out statutory and regulatory requirements for associated entities (“AEs”) tied to LCs and SFC-licensed VASPs under the SFO and AMLO.

This Guideline is issued under section 399 of the SFO and section 53ZTK of the AMLO, applying specifically to AEs that are not authorized financial institutions, as well as their officers and staff. It requires AEs to observe the same AML/CFT standards as those imposed on LCs and SFC-licensed VASPs, ensuring all entities involved in the service chain meet Hong Kong’s statutory AML/CFT obligations.

The Guideline provides both an overview of money laundering and terrorist financing (ML/TF) threats as well as practical, risk-based direction for AEs and their senior management to develop internal AML/CFT controls, policies, and procedures based on their business profile.

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AEs are expected to treat the SFC-issued AML/CFT Guideline for LCs and SFC-licensed VASPs as directly applicable, adapting measures to suit their structure and business scope, and to comply with mandatory requirements indicated as “must” or “should”.

Where an AE is also an authorized financial institution, it must have regard to the HKMA’s Guideline for Authorised Institutions as well as relevant sections of the SFC’s Guideline, particularly in areas relating to customers, correspondent relationships, and virtual asset activity.

Failure by an AE to adhere to the Guideline, or to have regard to relevant provisions where required, will reflect adversely on its fitness and properness and that of the controlling LC or SFC-licensed VASP, though it does not by itself give rise to legal proceedings.

### ***SFC Disciplinary Fining Guidelines (for regulated persons under Part 5B of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance)***

On June 1, 2023, the SFC published “*SFC Disciplinary Fining Guidelines (for regulated persons under Part 5B of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance)*”, which sets out the framework and factors for determining the level of pecuniary penalties imposed by the SFC on regulated persons (including both corporations and individuals) for breaches under the AMLO VA regime.

Under section 53ZSP of Part 5B of the AMLO, if a regulated person is found guilty of “misconduct”, including contravening material requirements of the Ordinance or engaging in conduct prejudicial to public or investor interests, the SFC may impose a fine of up to the greater of HK\$10 million or three times the profit gained or loss avoided by the misconduct. The number of affected persons may be used as a multiplier for calculating penalties when appropriate.

The SFC considers intentional or reckless conduct, conduct that damages Hong Kong’s reputation or market integrity, facilitates or increases risk of ML/TF, or causes loss to others as generally deserving higher fines. Less serious breaches, such as technical, inadvertent, or negligent conduct with minimal impact, may warrant lower fines or reprimands.

### ***Circular on Intermediaries Engaging in Tokenised Securities-Related Activities***

On November 2, 2023, the SFC issued “*Circular on Tokenisation Of SFC-Authorised Investment Products*”, which sets out the framework for tokenisation of SFC-authorized investment products offered to the public in Hong Kong. The circular sets out key obligations for product providers, disclosure standards for offering documents, requirements on customer due diligence and suitability assessments, as well as pre-transaction procedures.

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### *Circular on Intermediaries Engaging in Tokenised Securities-Related Activities*

On November 2, 2023, the SFC issued “*Circular on Intermediaries Engaging in Tokenised Securities-Related Activities*” to provide comprehensive regulatory guidance for Hong Kong financial institutions and intermediaries exploring the tokenisation of securities and their distribution to clients. The circular sets out the key regulatory requirements for tokenised securities, which encompass the core obligations of intermediaries, the requirements for business commencement, as well as the overarching regulatory principles.

### *Joint Circular on Intermediaries’ Virtual Asset-Related Activities*

On December 22, 2023, the SFC and the HKMA issued “*Joint circular on intermediaries’ virtual asset-related activities*”, addressing the regulatory framework for intermediaries engaging in virtual asset-related activities.

Most virtual asset-related products, due to their risks and structure, are deemed “complex products”, triggering specific suitability requirements and additional investor protection measures. Intermediaries must assess clients’ knowledge of virtual assets, provide risk disclosures, and generally restrict complex virtual assets products, such as overseas virtual assets ETPs, to professional investors unless stated otherwise.

SFC-authorized virtual assets futures ETFs and upcoming SFC-authorized virtual assets spot ETFs are exempted from some selling restrictions, allowing retail investor participation on public exchanges. Intermediaries must still conduct knowledge assessments and risk reviews for retail clients when dealing with these products, and all online distribution platforms must enforce access controls consistent with selling restrictions. Intermediaries are only permitted to offer virtual assets dealing services through SFC-licensed virtual asset trading platforms. Services may take the form of client introductions or omnibus account arrangements, with robust internal controls, client knowledge and risk tolerance checks, product-specific limits, and strict custody practices. Segregated client virtual assets accounts must be maintained with licensed platforms or authorized financial institutions that meet HKMA standards. Virtual asset dealing services must not relay orders to unlicensed platforms or involve the handling of client assets outside the regulatory perimeter. Non-compliance may impact fitness to carry out regulated activities.

Intermediaries managing virtual assets portfolios or providing discretionary account services are subject to enhanced standards if their exposure meets or exceeds the 10% gross asset value threshold. Only Type 9 licensees may provide these asset management services, and additional controls mirror existing SFC conditions for VA funds. Advisory services on virtual assets must meet strict suitability and conduct standards. Investment recommendations to retail clients should focus on highly liquid, large-cap virtual assets available on SFC-licensed platforms.

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### *Disciplinary Proceedings at a Glance (for regulated persons under Part 5B of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance)*

On February 28, 2024, the SFC published “*Disciplinary Proceedings at a Glance (for regulated persons under Part 5B of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance)*”, which provides a comprehensive overview of the disciplinary process for regulated persons under Part 5B of the AMLO, specifically targeting licensees, responsible officers, and managers-in-charge of VATPs in Hong Kong.

The disciplinary regime aims to protect investors, maintain market integrity, and deter misconduct by regulated persons, ensuring fair and resolute enforcement regardless of status. All disciplinary decisions are made with careful consideration of previous cases, the seriousness and impact of the conduct, and consistency across similar cases, while also reflecting changing market circumstances.

Persons subject to disciplinary action include licensed providers, representatives, responsible officers, directors, and Managers-In-Charge of the Core Functions of licensed providers.

In deciding whether to take disciplinary actions and the level of sanction to be imposed, the SFC will conduct a holistic review of the case, taking into account factors such as (i) nature and seriousness of the conduct, (ii) its impact on market integrity or Hong Kong’s reputation as a financial center, (iii) any losses caused to clients or market users; (iv) whether the conduct was intentional, reckless or negligent, (v) its duration, frequency and prevalence in the industry, (vi) whether it reflects systemic failures of management or internal control, (vii) whether any fiduciary duty was breached, and (viii) whether the SFC had previously issued guidance concerning the conduct. The SFC will also have regard to (a) the amount of profits accrued or loss avoided, (b) the manner of reporting (c) the degree of cooperation by the regulated person, (d) the remedial measures adopted, (e) the regulated person’s experience, position and his/her prior disciplinary record, and (f) any relevant regulatory action or sanction imposed by other authorities.

Sanctions can include licence revocation or suspension, removal of responsible officer approval, prohibition from re-application, fines (up to HK\$10 million or three times the profits gained/loss avoided, whichever is higher), private/public reprimand, or remedial orders. All but private reprimands are publicly announced by press release, with full enforcement transparency on the SFC website.

The process begins with investigation, issuance of a Notice of Proposed Disciplinary Action (“**NPDA**”), opportunity for representations and meetings, and a decision notice outlining reasons, sanctions, duration, and the right to review. Regulated persons are entitled to legal representation, to request copies of evidence, and to propose resolution agreements (“**without prejudice**”), with cooperation potentially reducing sanctions. Appeal decisions can

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be reviewed by an independent Review Tribunal, which can be appealed to the Court of Appeal on questions of law or fact. Sanctions take effect either after the expiry of review periods or immediately on withdrawal of the review/application.

### ***Circular on Disciplinary Proceedings under Part 5B of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance***

On February 28, 2024, the SFC issued “*Circular on disciplinary proceedings under Part 5B of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance*” to clarify the process for disciplinary action against regulated persons under Part 5B of AMLO, specifically those involved in the new licensing regime for VATPs.

The disciplinary process applies to “regulated persons” under the AMLO VATP regime, including licensed persons, responsible officers, and those involved in the management of licensed providers. Grounds for disciplinary action include being guilty of misconduct or being deemed not fit and proper to be, or remain, a regulated person.

The process is closely modeled on existing SFC enforcement practices used for persons licensed or registered under the SFO, ensuring procedural consistency and fairness. Regulated persons facing disciplinary proceedings under Part 5B of the AMLO receive a copy of the SFC’s guide alongside the notice initiating proceedings; the guide details reasons for disciplinary actions, who may be subject to discipline, criteria for action, disciplinary measures, and the step-by-step disciplinary process.

The SFC is empowered under the AMLO VATP regime to enforce disciplinary actions, which may include fines, public reprimand, suspension, or revocation of licence, mirroring similar processes under the SFO licensing framework.

### ***Circular on OTC Derivatives Trade Repository of the HKMA Updated Technical Specifications for Reporting***

On September 26, 2024, the SFC published the “*Circular on OTC Derivatives Trade Repository of the HKMA with Updated Technical Specifications for Reporting*,” announcing the launch of the HKTR system for the mandatory use of Unique Transaction Identifiers, Unique Product Identifiers, reporting of Critical Data Elements, and the ISO 20022 standard. The system is scheduled to launch on September 29, 2025. The circular includes updated reporting standards and technical specifications, and reporting entities are urged to prepare for compliance. A testing environment will be available from June 2025 for entities to simulate reporting changes.

On December 20, 2024, the SFC published the “*Circular to Licensed Corporations on Updated FAQs and Reporting Instructions for OTC Derivatives Reporting*,” announcing the release of revised Frequently Asked Questions (FAQs) and Supplementary Reporting Instructions (SRI) for OTC derivatives reporting. The revisions are in response to the September 2024 consultation conclusions on mandatory reporting requirements, including the

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use of Unique Transaction Identifiers, Unique Product Identifiers, and the ISO 20022 standard. The updates will take effect on September 29, 2025, and licensed corporations are advised to refer to the new FAQs and SRI for guidance.

On May 21, 2025, the SFC published the “*Circular to Licensed Corporations Updates on the Implementation of ISO 20022 Standard related to Hong Kong’s Over-the-Counter (OTC) Derivatives Reporting Requirements*,” providing updates on the Hong Kong Trade Repository’s (HKTR) system readiness. The circular outlines the early implementation of the ISO 20022 standard, beginning on September 22, 2025, ahead of the mandatory compliance date of September 29, 2025. It highlights the six-month transition period for reporting entities to migrate legacy trades to the new standard and provides updated technical specifications. The circular also includes information on the required simulation tests and readiness declarations.

### ***Circular on SFC-Authorised Funds with Exposure to Virtual Assets***

The “Circular on SFC-Authorised Funds with Exposure to Virtual Assets,” amended as of April 7, 2025, provides updated requirements for the authorization of public investment funds in Hong Kong with over 10% exposure to virtual assets.

The Circular applies to funds seeking authorization under sections 104 and 105 of the Securities and Futures Ordinance, and sets requirements for (i) direct investment in spot virtual asset tokens and/or (ii) indirect exposure via futures, ETFs, or other exchange-traded products. Only virtual assets tradable on SFC-licensed platforms are permissible for direct or indirect investment by authorized funds.

Management companies must demonstrate a strong regulatory track record and maintain staff with virtual asset product expertise. Virtual asset exposure must be non-leveraged at the fund level, and direct spot virtual asset transactions must be conducted through SFC-licensed VATPs or authorized institutions, ensuring safe trading and custody.

Trustees and custodians must ensure the proper segregation, predominantly through cold storage, of virtual assets, and the secure management of keys and seeds in Hong Kong, with robust operational controls and contingency measures in place.

Virtual asset futures exposure is limited to liquid contracts on conventional regulated exchanges, with active portfolio strategies and risk mitigation for market disruptions. Participating dealers for spot virtual asset ETFs must be SFC-licensed or registered institutions, and all appointments must meet SFC readiness and competence standards.

Management companies should value spot virtual asset holdings based on reputable indices reflecting significant trading volumes on major platforms. Offering documents must clearly outline all investment limits and key virtual asset risks, including price volatility, custody and cybersecurity, and operational risks for derivatives. Investor education requirements apply prior to fund launch, with ongoing disclosure in interim and annual reports for VA holdings, activities such as staking, revenues, and costs.

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SFC-authorized Virtual Asset Funds may engage in staking and other virtual asset activities if the activities align with the investment objective, risks are actively managed, and disclosures are robust. Fund managers must perform due diligence, ongoing monitoring of service providers and counterparties, and communicate any material changes to investors in advance.

Prior SFC consultation and approval are required for funds exceeding 10% virtual asset exposure, introducing new virtual asset activities, or altering investment objectives and risk profiles.

### ***Circular on Staking Services Provided by Virtual Asset Trading Platforms***

On April 7, 2025, the SFC published the “*Circular on Staking Services Provided by Virtual Asset Trading Platforms*,” outlining the regulatory approach and expected standards for VATPs offering staking services. The circular sets requirements for internal controls, information disclosure, and due diligence when selecting blockchain protocols and third-party service providers. VATPs must disclose risks associated with staking and obtain prior written approval from the SFC to offer these services. The circular also emphasizes safeguarding client virtual assets and ensuring compliance with licensing conditions.

### ***Circular to Licensed Corporations, SFC-licensed Virtual Asset Service Providers and Associated Entities — Anti-Money Laundering/Counter-Financing of Terrorism***

On June 27, 2025, the SFC published the “*Circular to Licensed Corporations, SFC-licensed Virtual Asset Service Providers and Associated Entities — Anti-Money Laundering/Counter-Financing of Terrorism*,” providing guidance on compliance with FATF standards. The circular highlights recent FATF statements on high-risk jurisdictions and those under increased monitoring, urging enhanced due diligence and countermeasures for certain countries. It also outlines outcomes from the Joint FATF-MONEYVAL Plenary, including updates to recommendations on payment transparency, financial inclusion, and proliferation financing. Additionally, the circular emphasizes the importance of monitoring jurisdictions’ AML/CFT progress.

### ***Licensing Handbook for Virtual Asset Trading Platform Operators***

On July 15, 2025, the SFC published “*Licensing Handbook for Virtual Asset Trading Platform Operators*” as a comprehensive manual detailing the regulatory, application, and ongoing compliance requirements for operators and staff under the Hong Kong licensing regimes for VATPs.

Any corporation carrying on a business of dealing in virtual assets, providing automated trading services, or actively marketing such services to the Hong Kong public must hold appropriate SFC licences (Type 1 and/or Type 7 under the SFO and/or a VA service licence under the AMLO).

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Only corporations, not sole proprietorships or partnerships, are eligible for licensing, and all applicants must demonstrate compliance with “fit and proper” criteria related to solvency, qualifications, business competence, and integrity.

Applications are submitted electronically via the SFC’s WINGS system, which streamlines the process for corporate and individual (representative/responsible officer) applicants. Applicants must submit detailed business plans, appoint at least two responsible officers (with at least one residing in Hong Kong and one being an executive director), and provide key organisational, ownership, and financial resource information. In addition, substantial shareholders and ultimate owners require SFC approval, and all related persons must be “fit and proper”.

VATPs must maintain at all times a minimum paid-up share capital of HK\$5 million, minimum liquid capital in line with the SFC’s rules, and sufficient onshore liquid assets to cover at least 12 months of operating expenses. Centralized trading platform operations are permitted, but client assets must be held in trust through an associated entity in Hong Kong that acts solely as custodian.

Prior to licensing, platform operators must appoint an independent external assessor (a practising CPA) to produce a direct assurance report on the design and implementation of all policies, procedures, and systems, in accordance with SFC guidance.

Regarding Responsible Officers (“**ROs**”) and Licensed Representatives (“**LRs**”), ROs supervise relevant activities, must have sufficient regulatory and business experience, and fulfill additional competence, authority, and local presence requirements. LRs (including “**itinerant professionals**”) perform regulated functions for platform operators and must meet fit and proper standards, professional qualification, and experience thresholds, with specific rules for mainland or overseas applicants.

VATPs and licensed persons must notify the SFC of key changes, submit audited accounts and financial returns, maintain continuous professional training, and promptly return client assets upon business cessation. Additional controls and notifications apply for changes in business activities, shareholders/owners, management, and client-facing functions, ensuring strong SFC oversight.

Platforms must provide updated compliance officer and emergency contact details, maintain up-to-date MICs (Managers-In-Charge) disclosures, and coordinate closely with the SFC when group entities are involved in any VA-related or robo-advisory businesses. Ongoing compliance, disciplinary, and reporting requirements are reinforced, with robust enforcement powers attaching to any misconduct or breach of licensing conditions.

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### *Circular to Licensed Virtual Asset Trading Platform Operators on Custody of Virtual Assets*

On August 15, 2025, the SFC published the “*Circular to Licensed Virtual Asset Trading Platform Operators on Custody of Virtual Assets*”, providing guidance to licensed virtual asset trading platform operators regarding the custody of virtual assets. The circular outlines the SFC’s minimum standards for safeguarding virtual assets, with an emphasis on resilient custody controls, real-time monitoring, and regular staff training. It also highlights the importance of continuously assessing and improving security practices.

### *Other Virtual Asset Related Activities*

In addition to overseeing virtual asset trading platforms, the SFC regulates several other types of SFC-licensed or registered intermediaries involved in virtual asset activities, applying tailored requirements to ensure robust risk management and investor protection.

Regarding Virtual Asset Fund Managers (“**VAFM**”), SFC regulation applies to licensed corporations managing portfolios or collective investment schemes that directly invest in virtual assets, whether fully or partially. Type 9 licensees (asset management) must observe special “Virtual Asset Fund Manager (VAFM) Terms and Conditions,” requiring robust governance, adequate liquid capital, segregation of client assets, and enhanced risk management covering AML/CFT and cybersecurity risks. Type 1 licensees (dealing in securities) managing and distributing non-security/futures virtual asset collective investment schemes are subject to similar conditions. For managers handling indirect exposure or portfolios investing less than 10% of assets in virtual assets (“**de minimis threshold**”), the standard SFO requirements apply. Discretionary account managers exceeding the threshold must also comply with the VAFM Terms; those offering VA dealing services as ancillary activities must remain below the threshold per client.

Regarding intermediaries dealing in or advising on virtual assets, Type 1 and/or Type 4 licensees may provide virtual asset dealing and advisory services, but only to existing clients and strictly via SFC-licensed trading platforms. These firms are bound by “VA Dealing or Advisory Terms and Conditions”, derived from securities standards but adjusted for VA-specific risks such as custody, KYC, AML/CFT, and market manipulation prevention. Investors may be onboarded to licensed platforms for direct trading, or intermediaries may open omnibus accounts on behalf of clients.

Regarding the distribution of virtual asset-related products, intermediaries distributing virtual asset-related products are regulated under the standard SFO investment product regime, including full compliance with complex product rules and suitability standards. All sales and marketing activities must follow existing investor protection requirements.

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### *Hong Kong Taxation*

Hong Kong imposes profits tax on entities, including companies and individuals, conducting trade, professional, or business activities within its jurisdiction, with tax liability limited to profits that are sourced from Hong Kong. Profits realized from the sale of capital assets are not subject to profits tax. Determinations regarding whether an activity qualifies as a trade, profession or business, whether a gain is capital or revenue in nature, and whether profits are arising in or derived from Hong Kong are all factual matters. For corporations, from the 2018/19 assessment year onward, the first HK\$2 million of assessable profits is taxed at 8.25%, and any portion exceeding HK\$2 million is taxed at 16.5% under the current Hong Kong Inland Revenue Ordinance.

Additionally, if the transfer of shares must be registered with a share register in Hong Kong (“**Hong Kong Shares**”), stamp duty will be payable by the person(s) who effects any sale or purchase of such Hong Kong Shares. For the transfer of Hong Kong Shares, stamp duty is imposed at an ad valorem rate of 0.1% of the consideration paid, or the market value (if higher), and this rate applies to both the seller and the buyer individually. This means that for a standard transaction involving the sale and purchase of Hong Kong Shares, the total stamp duty paid by both parties is 0.2% of the transaction amount or value. Furthermore, if an instrument of transfer is required for the transaction, it incurs an additional fixed stamp duty of HK\$5.00.

### **Regulations on Employment in Hong Kong**

The main legislations governing employment matters in Hong Kong include: (i) the Employment Ordinance (Cap. 57); (ii) Minimum Wage Ordinance (Cap. 608); (iii) Occupational Retirement Schemes Ordinance (Cap. 426); (iv) Mandatory Provident Fund Schemes Ordinance (Cap. 485); (v) Employees’ Compensation Ordinance (Cap. 282); and (vi) Occupational Safety and Health Ordinance (Cap. 509).

While these laws do not require employment contracts to be in written form, employers must provide employees with details of their employment terms upon request. Employees should receive wages that meet or exceed the statutory minimum wage, and payment must be made within seven (7) days after the end of the wage period. Employers are also required to maintain adequate compensation insurance to cover liabilities for work-related injuries or accidents. Additionally, employers must ensure a safe and healthy working environment and take appropriate workplace safety measures. Failure to comply with these regulations may result in legal penalties, including fines, imprisonment, or employee claims.

### **Regulations on Social Welfare in Hong Kong**

Under Hong Kong law, employers must enroll all eligible employees in a retirement scheme that is registered as a Mandatory Provident Fund (the “**MPF**”) scheme. Both the employer and the employee are required to make monthly contributions of a minimum of 5% of the employee’s relevant income to the MPF, subject to a current statutory cap of HK\$1,500

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per month for each party. Some employers may offer occupational retirement schemes that meet certain exemption criteria as an alternative or supplemental retirement benefit. Non-compliance with these obligations, including failure to establish a qualifying retirement plan, enroll eligible staff, or make the required contributions is a criminal offense. Penalties for non-compliant employers include fines and potential imprisonment.

### **OVERVIEW OF THE LAWS AND REGULATIONS RELATING TO OUR BUSINESS AND OPERATIONS IN SINGAPORE**

As we provide fund management services and digital payment token services through our subsidiaries in Singapore, HashKey Capital Singapore Pte. Ltd. and HashKey Technology Services Pte. Ltd., respectively, our business operations are subject to the laws of Singapore.

#### **Regulatory authority**

By offering capital markets products and payment services in Singapore, HashKey Capital Singapore Pte. Ltd. and HashKey Technology Services Pte. Ltd. are both licensed under and regulated by the Monetary Authority of Singapore (“MAS”), Singapore’s central bank and integrated financial regulator. As an integrated financial supervisor, the MAS has oversight of all financial institutions in Singapore, including banks, insurers, payment service providers, capital market intermediaries (such as HashKey Capital Singapore Pte. Ltd.), and financial advisors. To this end, the MAS also establishes rules for such financial institutions which are implemented through legislation, regulations, directions and notices. MAS guidelines are also formulated and published to encourage best practices among financial institutions in Singapore.

Where a license under any relevant statute has been granted by the MAS, the grant may be subject to such conditions and restrictions as the MAS thinks fit. It is an offense for a person to contravene any such condition or restriction in the licence.

#### **Regulatory Requirements**

The key laws and regulations which relate to the businesses and operations of HashKey Capital Singapore Pte. Ltd. and HashKey Technology Services Pte. Ltd. in Singapore are summarized as follows:

##### **The Securities and Futures Act 2001**

The SFA is the principal legislation regulating activities and institutions in the securities and derivatives industry in Singapore. The SFA is administered by the MAS and is bolstered by subsidiary legislation, including notices, guidelines and circulars. Part 4 of the SFA provides for the licencing and regulation of certain regulated activities typically carried out by capital markets intermediaries (such as HashKey Capital Singapore Pte. Ltd.), including fund management.

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“Fund management” is defined under the SFA to mean managing the property of, or operating a collective investment scheme (“**CIS**”), or undertaking, on behalf of a customer (whether on a discretionary authority granted by the customer or otherwise) the management of a portfolio of capital market products or the entry into spot foreign exchange contracts for the purpose of managing the customer’s funds, excluding any real estate investment trust management.

Under Section 82(1) of the SFA, a person carrying on fund management is required to hold a Capital Markets Services Licence (“**CMSL**”), issued by the MAS, unless an exemption applies. The CMSL system is a modular licencing system, in that an entity will hold one (1) single CMSL covering the different types of regulated activities under the SFA which it engages or intends to engage in. It is an offense for a person to carry on business, or hold himself out as carrying on business, in any regulated activity without the appropriate licence issued by the MAS.

As of the date of this advice, HashKey Capital Singapore Pte. Ltd. holds a CMSL (Licence No. CMS101414) and is licenced under the Securities and Futures Act 2001 of Singapore (“**SFA**”) to conduct the regulated activity of fund management.

### *Representatives, Directors, and CEO Requirements*

Under Section 99B(1) of the SFA, individuals who are employed by or who are acting for a CMSL holder in Singapore to carry out the regulated activities are required to be appointed, provisional or temporary representatives under the SFA, unless exempted.

Based on the MAS Guidelines SFA 04-G05 Licencing and Conduct of Business for Fund Management Companies (last revised September 3, 2025) (“**MAS Guidelines SFA 04-G05**”), at least two (2) full-time representatives residing in Singapore must be employed for licenced fund management companies dealing with accredited and/or institutional investors (“**A/I LFMC**”). These representatives must be directly involved in the fund management activities of the company, such as portfolio management, investment research, trade execution, and client servicing, and must meet MAS’ prescribed competency and examination requirements.

In terms of directorship requirements, HashKey Capital Singapore Pte. Ltd. must have at least two (2) directors with at least one (1) being an executive director who is resident in Singapore and actively involved in the day-to-day management of the company. Additionally, the executive director must have a minimum of five (5) years of relevant portfolio management experience in asset classes or markets in which HashKey Capital Singapore Pte. Ltd. intends to invest. Nominee directors, such as legal advisers or corporate secretaries, do not count toward this requirement.

The Chief Executive Officer (“**CEO**”) of HashKey Capital Singapore Pte. Ltd. must be resident in Singapore and meet MAS’ experience requirements which differs based on the type of fund management licence. For A/I LFMCs, the CEO must have at least five (5) years of managerial or supervisory experience, while for retail LFMCs, this requirement is increased to

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10 years. The CEO must be actively engaged in the company's operations and be responsible for ensuring compliance with MAS regulations, governance, and risk management requirements. The approval of MAS must be obtained before appointing the CEO, any resident director, or any director directly responsible its fund management activities.

### ***“Fit and Proper” Requirement***

Persons applying to the MAS for a CMSL under the SFA, as well as its directors, representatives, and shareholders, must satisfy, and continue to satisfy after the grant of the CMSL by the MAS, that they are fit and proper persons. Generally, a fit and proper person means one who is financially sound, competent, honest, and has not been in breach of relevant laws and regulations. MAS administers this regime through the MAS Guidelines FSG-G01 Fit and Proper Criteria (last revised May 30, 2025) which all classes of regulated entities (including CMSL holders) are ordinarily expected to follow.

### ***Base Capital Requirements***

A corporation granted a CMSL in respect of regulated activities shall, at all times, meet the base capital requirements under the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations of Singapore (“SF(FMR)R”) and the MAS Guidelines SFA 04-G05. The applicable base capital requirement for HashKey Capital Singapore Pte. Ltd. depends on its client base and whether it manages retail funds. As HashKey Capital Singapore Pte. Ltd. only serves accredited and institutional investors, it will be subject to the lower S\$250,000 requirement.

### ***Risk Capital Requirements***

Furthermore, a CMSL holder shall, at all times, meet the risk-based capital requirements in the SF(FMR)R and MAS Notice SFA 04-N13 Risk Based Capital Adequacy Requirements for Holders of Capital Markets Services Licences (last revised September 27, 2021) upon obtaining its licence. The particular capital requirements are generally based on various risk factors faced by the CMSL holder, and the risk measurements are proxied from various items of information within the CMSL holder's financial statements.

In this regard, under Regulations 6 and 7 of the SF(FMR)R, a licenced corporation which is incorporated in Singapore shall:

- (a) not cause or permit its financial resources to fall below its total risk requirement; and
- (b) immediately notify the MAS if its financial resources fall below 120% of its total risk requirement.

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### *Continuing Obligations*

An entity licenced under Part 4 of the SFA would typically expect that various ongoing operational obligations would apply, in addition to any specific conditions which the MAS may impose when granting its licence. There are different ongoing business conduct compliance obligations depending on the relevant licencing category. In respect of HashKey Capital Singapore Pte. Ltd., these include, but are not limited to, the following requirements under the Securities and Futures (Licencing and Conduct of Business) Regulations of Singapore (“**SF(LCB)R**”):

- (a) maintenance of a minimum deposit sum of S\$100,000 with the MAS (Regulation 7 of the SF(LCB)R);
- (b) implement, and ensure compliance with, effective written policies on all operational areas, including financial policies, accounting and internal controls, and internal auditing (Regulation 13(b)(i) of the SF(LCB)R);
- (c) identify, address and monitor the risks associated with the trading or business activities (Regulation 13(b)(iii) of the SF(LCB)R);
- (d) ensure that its business activities are subject to adequate internal audit (Regulation 13(b)(iv) of the SF(LCB)R);
- (e) detailed book-keeping and record-keeping obligations (Regulation 39 of the SF(LCB)R);
- (f) provision of statements of account to customers (Regulation 40 of the SF(LCB)R);  
and
- (g) regulations on product advertisements (Regulation 46 of the SF(LCB)R).

In addition to the general ongoing compliance obligations applicable to all CMS licence holders, HashKey Capital Singapore Pte. Ltd. as CMSL holder for fund management would be subject to additional continuing obligations under Regulation 13B of the SF(LCB)R. These obligations are specific to its role in management customer assets and include:

- (a) a risk management framework that is proportionate to the nature, scale, and complexity of the managed assets;
- (b) assets under HashKey Capital Singapore Pte. Ltd.’s management must be independently valued to determine their net asset value (“NAV”). An independent party must convey these valuations to the relevant customers or, in the case of closed-end funds or CISs, to the unitholders of such funds;

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- (c) HashKey Capital Singapore Pte. Ltd. is required to segregate customer assets from its proprietary assets, ensuring that client funds are maintained separately to safeguard investor interests. These assets must be held in trust or custody accounts with a financial institution approved by MAS or a licenced custodian in an overseas jurisdiction;
- (d) when executing transactions involving capital markets products traded on approved exchanges or recognized market operators, HashKey Capital Singapore Pte. Ltd. must give priority to customer transactions over those of the firm itself, its officers, employees, and other related persons; and
- (e) HashKey Capital Singapore Pte. Ltd. must mitigate and manage conflicts of interest in the course of its fund management activities and, where appropriate, HashKey Capital Singapore Pte. Ltd. must disclose them to the affected customers.

### *Sector-specific Requirements applicable to Capital Markets Intermediaries*

HashKey Capital Singapore Pte. Ltd. as a CMSL holder will be required to comply with the MAS Notice SFA 04-N02 Prevention of Money Laundering and Countering the Financing of Terrorism – Capital Markets Intermediaries (last revised June 30, 2025) (“**MAS Notice SFA 04-N02**”) issued by the MAS, read together with the Guidelines to MAS Notice SFA 04-N02 (last revised July 1, 2025).

The MAS Notice SFA 04-N02, read together with the Guidelines to MAS Notice SFA 04-N02, establishes a framework within which CMSL holders are to design and develop their own AML/CFT policies, procedures and controls to help prevent money laundering and terrorism financing in Singapore. A CMSL holder should, among other things:

- (a) take appropriate steps to identify, assess and update its money laundering and terrorism financing risks in relation to the launch or use of new products, new business practices, new delivery mechanisms, or new or developing technologies, and to ensure that appropriate measures and controls are implemented to mitigate and manage such risks;
- (b) conduct anti-money laundering and customer due diligence (“**CDD**”) checks on all new customers (extending to the beneficial owners, connected parties of the customer and persons appointed to act on the customer’s behalf), and update its CDD checks on existing customers from time to time;
- (c) perform such CDD checks where the licensed corporation first establishes business relations with any customer, where the licensed corporation undertakes any transaction of a value exceeding S\$20,000 for any customer who has not otherwise established business relations with it, where there is a suspicion of money laundering or terrorism financing, or where the licensed corporation has doubts about the veracity or adequacy of any information previously obtained;

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- (d) reserve the right to request for such information as deemed necessary to verify the identity, tax status and/or source of payment of a customer in order to comply with any applicable law or regulation of any jurisdiction;
- (e) implement internal risk management systems, policies, procedures and controls to determine if particular business relations with or transactions for any customer presents a higher risk for money laundering or terrorism financing;
- (f) conduct on-going monitoring of activities of its customers to ensure that they are consistent with the nature of business, the risk profile and source of funds, as well as identify transactions that are complex, large or unusual, or patterns of transactions that have no apparent economic or lawful purpose;
- (g) conduct comprehensive on-going screening against the United Nations (“UN”) watch lists other relevant money laundering and terrorism financing sources and lists and information provided by the MAS or other relevant authorities in Singapore; and
- (h) report transactions suspected to contain the proceeds of criminal conduct or that is connected in any way with money laundering, tax evasion or terrorist financing to the Suspicious Transactions Reporting Office and the MAS, and document the basis for its assessment and the decision to report the transaction.

### **Payment Services Act 2019**

The PS Act, together with other subsidiary legislation, provides for the licencing and regulation of payment systems and payment service providers in Singapore. The PS Act is administered by the MAS. Unless excluded or exempt, an entity must obtain the relevant licence to provide regulated payment services under the PS Act, which include account issuance services, e-money issuance services, domestic money transfer services, cross-border money transfer services, merchant acquisition services, digital payment token (“DPT”) services, and money-changing services.

HashKey Technology Services Pte. Ltd. has obtained a Major Payment Institution (“MPI”) licence (Licence No. PS20200573) from the MAS under the Payment Services Act 2019 of Singapore (“PS Act”) to carry on its business in payment services, specifically DPT services, in Singapore.

MPI licensees such as HashKey Technology Services Pte. Ltd. are generally subject to obligations relating to general approval requirements for changes of control, appointment and removal of CEOs and directors, general notification and record-keeping requirements, audit requirements, base capital requirements, anti-money laundering and countering the financing of terrorism (“AML/CFT”) requirements, the requirement to furnish security, the requirement

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to safeguard customer monies, and other applicable requirements. Licensees are expected to implement certain systems, processes and controls in line with the MAS Guidelines on Risk Management Practices applicable to financial institutions in Singapore.

Non-compliance with the above could, depending on the specific requirement or offense, potentially result in sanctions by the MAS or other actions being taken, including the revocation or suspension of a licence, fines or warnings, and criminal penalties for the relevant licensees and/or its officers.

### *Sector-specific Requirements applicable to Payment Service Providers*

In particular, HashKey Technology Services Pte. Ltd. as an MPI licence holder will be required to comply with MAS Notice PSN02 Prevention of Money Laundering and Countering the Financing of Terrorism — Digital Payment Token Service (last revised June 30, 2025) (“**MAS Notice PSN02**”). MAS Notice PSN02 requires robust controls to be put in place to detect and deter the flow of illicit funds through Singapore’s financial system. Principally, MAS Notice PSN02 prescribes requirements relating to the following areas:

- (a) risk assessment and risk mitigation;
- (b) new products, practices and technologies;
- (c) CDD, including simplified CDD and enhanced CDD;
- (d) foreign currency exchange transactions;
- (e) prohibition of issuance of bearer negotiable instruments and restriction on cash payouts;
- (f) reliance on third parties;
- (g) correspondent accounts, agency arrangements, and wire transfers;
- (h) value transfers;
- (i) personal data;
- (j) suspicious transactions reporting; and
- (k) internal policies, compliance, audit and training.

Payment service providers are further obliged to comply with MAS Notice PSN03 Notice on Reporting of Suspicious Activities and Incidents of Fraud (issued December 5, 2019), which requires all payment service providers to report suspicious activities or incidents of fraud that will affect their safety, soundness or reputation.

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### *Ongoing Conduct of Business Requirements for Licenced Payment Service Providers*

MPIs licensed under the PS Act are also required to comply with the Payment Services Regulations 2019 of Singapore (“**PSR**”), and associated notices (including MAS Notice PSN04 Notice on Submission of Regulatory Returns (effective January 1, 2025)). The applicable financial requirements in the PSR include:

- (a) maintenance of a minimum base capital;
- (b) maintenance of a security with the MAS; and
- (c) submission of periodic regulatory returns to the MAS.

### *Business Conduct Requirements*

Business conduct requirements are imposed on payment services providers by MAS Notice PSN07 Notice on Conduct (effective October 4, 2024), alongside the PS Act and PSR. The obligations include:

- (a) keeping a record of transactions;
- (b) issuance of receipts;
- (c) transmission of money;
- (d) display and application of exchange rate and fees;
- (e) notification of normal business hours;
- (f) notification of certain events to the MAS; and
- (g) presence at the permanent place of business or registered office.

Requirements are also imposed on payment service providers by MAS Notice PSN08 Notice on Disclosures and Communications (effective April 4, 2024), which obliges licensees to provide specified disclosures and make accurate representations of the scope of the licence.

DPT service providers licensed under the PS Act are further subject to MAS Guidelines on Consumer Protection Measures by DPT Service Providers (last revised September 19, 2024), which intends to promote the adoption of sound and robust practices to address consumer protection risks. The guidance relates to safeguarding of customers’ assets, consumer access measures, conflicts of interest and other business conduct measures applicable to DPT service providers. The MAS Guidelines on Provision of Digital Payment Token Services to the Public (PS-G02) (issued January 17, 2022) are also relevant to such licensees.

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Various restrictions are also imposed on payment service providers, including in respect to personal payment accounts that contain e-money.

### *Cyber Hygiene and Technology Risk Management*

MAS Notice FSM-N14 Cyber Hygiene (effective May 10, 2024) imposes requirements on payment service providers in respect to cyber hygiene. The cyber security requirements provided for include:

- (a) securing administrative accounts;
- (b) security patches;
- (c) baseline security standards;
- (d) network perimeter defences;
- (e) malware protection; and
- (f) multi-factor authentication.

The MAS expects payment service providers to also comply with MAS Guidelines on Risk Management Practices — Technology Risk (issued January 2021), which sets out principles and best practices to ensure financial institutions establish sound and robust technology risk governance and oversight, in addition to IT and cyber resilience.

### *Audit Requirements*

Payment service providers are subject to annual audit requirements under the PS Act and PSR, in relation to which reports of audits must be submitted to the MAS in a prescribed form.

### *Validity and Fees*

Payment services licences issued under the PS Act are valid until the MAS revokes or suspends the licence, the licence lapses or the licensee surrenders its licence. Licensees must pay a prescribed annual fee to the MAS, as per the requirements in the PS Act and PSR, for the purpose of maintaining their payment services licence.

Aside from the above AML/CFT notices and guidelines, Singapore's AML/CFT legal framework is governed by a patchwork of legal instruments. The key legislations in Singapore applicable to HashKey Capital Singapore Pte. Ltd. and HashKey Technology Services Pte. Ltd. which concern money laundering and terrorist financing are set out below.

### **Financial Services and Markets Act 2022**

The Financial Services and Markets Act 2022 of Singapore (“**FSMA**”) is an omnibus act for the sector-wide regulation of financial services and markets in Singapore. The FSMA governs a licencing regime for providers of digital token services operating from Singapore who offer their digital token services outside of Singapore, to enhance the MAS’ regulatory oversight and supervision of such entities for the purpose of reducing money laundering and terrorist financing risks.

The FSMA applies broadly to financial institutions and confers general powers on the MAS over all financial institutions supervised by the MAS including payment service providers licenced under the PS Act. It essentially seeks to harmonise the MAS’ powers under the various legislation pursuant to which the MAS supervises such financial institutions. These powers include general powers such as inspection powers, powers to impose requirements relating to technology risk management, control and resolution of financial institutions and to issue prohibition orders.

### **Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992**

The Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 of Singapore (“**CDSA**”) criminalises money laundering and organizes money laundering offences into two (2) main groups: drug-related offences and other criminal offences. In particular, Part 6 of the CDSA criminalises the laundering of proceeds generated by drug trafficking and criminal conduct via the following principal offences:

- (a) the assistance of another person in retaining, controlling or using the benefits of drug dealing or criminal conduct under an arrangement (whether by concealment, removal from jurisdiction, transfer to nominees or otherwise) (Sections 50(1) and 51(1) of the CDSA);
- (b) the concealment, disguise, conversion, transfer, removal, acquisition, possession or use from the jurisdiction, or the acquisition, possession or use of benefits of drug dealing or criminal conduct (Sections 53(1) and 54(1) of the CDSA);
- (c) the concealment, disguise, conversion, transfer or removal from the jurisdiction of another person’s benefits of drug dealing or criminal conduct (Sections 53(2) and 54(2) of the CDSA);
- (d) the acquisition, possession or use of another person’s benefits of drug dealing or criminal conduct (Sections 53(3) and 54(3) of the CDSA); and
- (e) the possession or use of any property that may be reasonably suspected of being benefits of drug dealing or criminal conduct, without a satisfactory account as to how the property had been occasioned (Section 55(1) of the CDSA).

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Upon conviction of an offense under Sections 50, 51, 53 and 54 of the CDSA, individuals will be liable to a maximum fine of S\$500,000 or imprisonment for a term of up to 10 years or to both, while non-individuals will be liable to a maximum fine of S\$1 million or twice the value of the benefits of drug dealing or criminal conduct in respect of which the money laundering offense was committed, whichever is higher. If convicted under Section 55 of the CDSA, individuals will be liable to a maximum fine of S\$150,000 or imprisonment for a term of up to three (3) years or to both, while non-individuals will be liable to a maximum fine of S\$300,000.

In addition to any criminal liability, the CDSA also allows for the confiscation of proceeds of crime. In particular, a confiscation, restraint or charging order may be made by the court in respect of realizable property. A confiscation order under Section 64 of the CDSA is an order for the defendant to pay an amount of money assessed to correspond to the value of the benefit he or she derived from drug dealing or criminal conduct, a restraint order under Section 19 serves to prohibit any person from dealing with realizable property, and a charging order under Section 20 (applicable to immovable property and to capital markets products) serves to secure payment of any amount payable under a confiscation order.

In terms of reporting requirements, Section 45(1) of the CDSA provides for the mandatory reporting of suspicious transactions when a person, in the course of his or her trade, profession, business or employment, knows or has reasonable grounds to suspect money laundering. Suspicious transaction reports are to be made to the Commercial Affairs Department of the Singapore Police Force. A failure to report a suspicious transaction would constitute an offense under Section 45(3) of the CDSA. Individuals will be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding three (3) years or to both, while non-individuals would be liable on conviction to a fine not exceeding S\$500,000.

The CDSA also provides for the offense of tipping-off. Section 57 of the CDSA provides that it is an offense if:

- (a) a person, who knows or reasonably suspects that an authorized officer is acting or proposing to act in a money laundering investigation, discloses, to a second person, any information that is likely to prejudice that investigation or proposed investigation; or
- (b) a person, who knows or reasonably suspects that a suspicious transaction report has been filed, discloses to a second person, any information that is likely to prejudice any investigation that might be conducted following the suspicious transaction report.

A contravention of Section 57 will lead to an offense, and a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding three (3) years or to both.

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### **Licensing Regime under the Financial Advisers Act 2001**

For completeness, the provision of financial advisory services is regulated in Singapore under the Financial Advisers Act 2001 of Singapore (“**FAA**”), and its related subsidiary legislation.

Under Section 6(1) of the FAA, a person is not to act as a financial advisor in Singapore in respect of any financial advisory services unless he is authorized to do so in respect of that financial advisory service by a financial adviser’s licence (“**FAL**”), or is an exempt financial advisor. Further, under Section 6(4) of the FAA, a person who contravenes Section 6(1) will be liable on conviction to a maximum fine of S\$75,000 or imprisonment for a term of up to three (3) years or both.

The term “financial advisor” generally refers to a person who carries on a business of providing any financial advisory service under the FAA. Financial advisory services under the FAA include, but are not limited to:

- (a) advising others, either directly or through publications or writings, and whether in electronic, print or other form, concerning any investment product;<sup>1</sup>
- (b) advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning any investment product; and
- (c) arranging of any contract of insurance in respect of life policies (other than a contract of reinsurance).

Generally, exemptions under the Financial Advisers Act (“**FAA**”) apply to services provided to institutional investors and/or accredited investors. We note that HashKey Capital Singapore Pte. Ltd. would be considered an exempt financial advisor under the FAA if it provides financial advisory incidental to its other key services. If so, HashKey Capital Singapore Pte. Ltd. would be allowed to conduct the above regulated activities in Singapore.

### **Companies Act 1967**

The Companies Act 1967 of Singapore generally governs, among others, matters relating to the status, power and capacity of a company, shares and share capital of a company (which includes issuances of new shares (including preference shares), treasury shares, share buybacks, redemption, share capital reduction, declaration of dividends, financial assistance, directors and officers and shareholders of a company (including meetings and proceedings of directors and shareholders, dealings between such persons and the company), protection of

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<sup>1</sup> Under the FAA, “investment product” includes any capital markets products, spot foreign exchange contracts other than for the purposes of leveraged foreign exchange trading, any life policy; or any other product as may be prescribed.

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minority shareholders' rights, accounts, arrangements, reconstructions and amalgamations. Members of a company are also subject to, and bound by the provisions in its constitution (or memorandum and articles of association for companies which are incorporated before January 3, 2016).

### **Personal Data Protection Act 2012**

The Personal Data Protection Act 2012 of Singapore (“**PDPA**”) governs the collection, use and disclosure individuals' personal data by organisations and the unauthorised use or disclosure of personal data by individuals. The PDPA applies to all organisations that collect, use, disclose, and/or process personal data. The PDPA is administered and enforced by the Personal Data Protection Commission (“**PDPC**”). In this regard, “personal data” as defined under the PDPA refers to data, whether true or not, about an individual who can be identified (i) from that data; or (ii) from that data and other information to which the organization has or is likely to have access to.

An organization is required to comply, among others, with the data protection obligations prescribed by the PDPA, which may be summarized as follows:

- (a) consent obligation – the consent of the individual must be obtained before collecting, using, disclosing and/or processing his personal data, save in situations required and authorized under the PDPA or any other written law. Additionally, an organization must allow the withdrawal of consent by an individual which has been given or is deemed to have been given;
- (b) purpose limitation obligation – personal data must be collected, used, disclosed, and/or processed only for purposes that a reasonable person would consider appropriate in the circumstances, and if applicable, have been notified to the individual concerned;
- (c) notification obligation – the individual must be notified of the purpose(s) for the collection, use, disclosure and/or processing of the individual's personal data on or before such collection, use, disclosure and/or processing of the personal data;
- (d) access and correction obligations – when requested by an individual and unless an exception applies, an organization must:
  - (i) provide that individual with access to his personal data in the possession or under the control of the organization and information about the ways in which his personal data may have been used or disclosed during the past year; and/or
  - (ii) correct an error or omission in his personal data that is in the possession or under the control of the organization;

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- (e) accuracy obligation – an organization must make reasonable efforts to ensure that personal data collected by or on its behalf is accurate and complete if such data is likely to be used by the organization to make a decision affecting the individual to whom the personal data relates or if such data is likely to be disclosed to another organization;
- (f) protection obligation — an organization must protect personal data in its possession or under its control by making reasonable security arrangements to prevent:
  - (i) unauthorised access, collection, use, disclosure, copying, modification, disposal or similar risks; and
  - (ii) the loss of any storage medium or device on which personal data is stored;
- (g) retention limitation obligation — an organization must anonymise or must not keep personal data for longer than it is necessary to fulfill:
  - (i) the purposes for which it was collected; or
  - (ii) a legal or business purpose;
- (h) transfer limitation obligation — personal data must not be transferred out of Singapore except in accordance with the requirements prescribed under the PDPA. In this regard, an organization must, amongst other things, ensure that the recipient of the personal data in that country outside Singapore is bound by legally enforceable obligations to provide the transferred personal data a standard of protection that is at least comparable to the protection under the PDPA;
- (i) accountability obligation — an organization must develop and implement the necessary policies and practices in order to meet its obligations under the PDPA, communicate and inform their staff about these policies and procedures, and make information about its policies and practices available on request. In addition, an organization must develop a process to receive and respond to data-related complaints, and must designate at least one (1) individual as the data protection officer to oversee the organisation’s compliance with the PDPA;
- (j) data breach notification obligation — an organization must notify the PDPC and/or the affected individuals if it has suffered a data breach that meets the notification thresholds prescribed under the PDPA (i.e. the data breach is or is likely to be of significant scale, or has caused or is likely to cause significant harm to the affected individuals). The organization is expected to expeditiously assess the severity of the breach, and the timeline to notify the PDPC is three (3) calendar days of the organization assessing that a notification threshold has been met; and

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- (k) data portability obligation — the data portability obligation (which is not yet in force as of the Latest Practicable Date) grants individuals with an existing direct relationship with an organization the right to request for a copy of their personal data to be transmitted in a commonly used machine-readable format to another organization which has a business presence in Singapore. The exact scope and applicability of this right will be delineated by the relevant regulations and guidelines to be published by the PDPC.

If an organization is found to be in breach of the PDPA, the PDPC may require the organization to, among others, (i) stop collecting, using or disclosing personal data in contravention of the PDPA; (ii) destroy personal data collected in contravention of the PDPA; (iii) provide access to or correct the personal data; and/or (iv) pay a financial penalty of an amount not exceeding either S\$1 million (or in the case of an organization whose annual turnover in Singapore exceeds S\$10 million, 10% of the annual turnover in Singapore of the organization). The severity of the penalties will be assessed based on, among others, the amount of personal data involved, and the degree of harm caused to individuals.

### **Singapore Taxation**

#### *Corporate Tax*

Under the Income Tax Act 1947 of Singapore, the prevailing corporate tax rate in Singapore is 17% of the chargeable income of the organization. Tax exemptions or rebates may be applicable in certain cases, such as partial tax exemptions applying to the first S\$300,000 of normal chargeable income. Gains of a capital in nature are not subject to tax. However, gains from the disposal of investments may be construed to be of an income nature and attract Singapore income tax.

#### *Dividend Distributions*

Singapore adopts a one-tier corporate tax system. Under the one-tier corporate tax system, the tax collected from corporate profits is a final tax and the after-tax profits of the company resident in Singapore can be distributed to the shareholders as tax-exempt dividends. Such dividends are tax-exempt in the hands of the shareholders, regardless of whether the shareholder is a company or an individual and whether or not the shareholder is a Singapore tax resident.

Singapore does not currently impose withholding tax on dividends paid to resident or non-resident shareholders. Foreign shareholders are advised to consult their own tax advisers to take into account the tax laws of their respective countries of residence and the existence of any double taxation agreement which their country of residence may have with Singapore.

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### *Stamp Duty*

There is no stamp duty payable on the subscription, allotment and issuance of shares.

Where shares evidenced in certificate form are acquired in Singapore and where a company maintains a share registry in Singapore, stamp duty is payable on the instrument of transfer of such shares at the rate of 0.2% of the consideration for, or the net asset value of, such shares, whichever is higher. The purchaser has an obligation to pay stamp duty, unless there is an agreement to the contrary. No stamp duty is payable if no instrument of transfer is executed or the instrument of transfer is executed outside Singapore. However, stamp duty may be payable if the instrument of transfer which is executed outside Singapore, is subsequently received in Singapore.

Stamp duty is not applicable to electronic transfers of shares through the scripless trading system operated by The Central Depository (Pte) Limited, if such transfers are not pursuant to an instrument of transfer entered into.

Pursuant to recent amendments to the Stamp Duties Act 1929 of Singapore, stamp duty is payable on certain electronic instruments that effect a transfer of interest in shares, where such instruments are regarded or deemed to be executed in Singapore, or executed outside Singapore and received in Singapore. In this regard, an electronic instrument that is executed outside Singapore is received in Singapore if:

- (a) it is retrieved or accessed by a person in Singapore;
- (b) an electronic copy of it is stored on a device (including a computer) and brought into Singapore; or
- (c) an electronic copy of it is stored on a computer in Singapore.

### **OVERVIEW OF THE LAWS AND REGULATIONS RELATING TO OUR BUSINESS AND OPERATIONS IN BERMUDA**

Set out below is a summary of certain provisions of Bermuda company law. This does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of Bermuda company law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar:

#### **Digital Asset Business Act 2018**

The Digital Asset Business Act 2018 (“**DABA**”) establishes Bermuda’s regulatory framework for persons carrying on Digital Asset Business in or from within Bermuda. The DABA specifies the digital asset-related activities to which it applies, imposes a licensing requirement on any person carrying on any of those activities, lays out the criteria a person

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must meet before it can obtain a licence, imposes (and permits the Bermuda Monetary Authority (the “**BMA**”) to impose) certain continuing obligations on any holder of a licence, and grants to the BMA supervisory and enforcement powers over regulated Digital Asset Businesses.

### *Scope of the DABA*

The DABA applies to any entity incorporated or formed in Bermuda and carrying on digital asset business (irrespective of the location from which the activity is carried out) and to any entity incorporated or formed outside of Bermuda and carrying on digital asset business in or from within Bermuda.

A “digital asset” is defined under the DABA as anything that exists in binary format and comes with the right to use it, and includes a digital representation of value that is (a) used as a medium of exchange, unit of account, or store of value and is not legal tender, whether or not denominated in legal tender, (b) intended to represent assets such as debt or equity in the promoter, (c) otherwise intended to represent any assets or rights associated with such assets, or (d) intended to provide access to an application of service or product by means of distributed ledger technology.

“Digital Asset Business” is defined under the DABA as the provision of the following activities to the public as a business:

- Issuing, selling or redeeming virtual coins, tokens or any other form of digital asset;
- Operating as a payment service provider business utilizing digital assets, which includes the provision of services for the transfer of funds;
- Operating as a digital asset exchange;
- Carrying on digital asset trust services;
- Providing custodial wallet services;
- Operating as a digital asset derivative exchange provider;
- Operating as a digital asset services vendor; and
- Operating as a digital asset lending or digital asset repurchase transaction service provider.

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In addition to the above categories, the DABA includes an option for the Minister of Finance, after consultation with the BMA, to be able to add new categories or to amend, suspend or delete any of the categories listed above by order. The DABA specifically provides that the following activities shall not constitute Digital Asset Business:

- providing data storage or security services for a digital asset business, so long as the enterprise is not otherwise engaged in Digital Asset Business activity on behalf of other persons; and
- the provision of any Digital Asset Business activity by an undertaking solely for the purpose of its business operations or the business operations of any of its subsidiaries.

Carrying on Digital Asset Business without a DABA licence is a criminal offense punishable by a fine of up to US\$250,000, imprisonment for a term of up to five years, or both.

### *Licensing and ongoing obligations*

The DABA requires persons carrying on Digital Asset Business to obtain a licence before doing so, unless that person is subject to an exemption order issued by the Minister of Finance. The BMA currently offers three types of licences that enable Digital Asset Business entities to conduct activities that fall under the DABA: the full “F” Licence for companies seeking to provide any or all of the Digital Asset Business activities; the modified “M” licence, which is the same as a Class F licence but with modified requirements and restrictions intended for a limited period; and the test “T” Licence, for those seeking to test their proof of concept.

The Company obtained a Class F Licence (Registration Number: 202302864), effective from February 21, 2024, which permits the Company to conduct the following Digital Asset Business in accordance with its business plan: (a) Issuing, selling or redeeming virtual coins, tokens or any other form of digital assets; (b) Operating as a payment service provider business utilizing digital assets; (c) Operating as a digital asset exchange; (d) Providing custodial wallet services; and (e) Operating as a digital asset derivative exchange provider.

Persons holding a licence issued under the DABA are subject to several ongoing obligations including but not limited to:

- Client disclosure rules, requiring licensees before entering any business relationship with a customer, to disclose to that customer: all material risks associated with its products, services and activities; and any additional disclosure the BMA may determine is reasonably necessary for the protection of clients;
- Cybersecurity rules, which require Class F licence holders to file a cyber risk return with the BMA on an annual basis;

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- Custody and protection of consumer assets rules, requiring licensees holding client assets to have in place and maintain a surety bond, trust account or indemnity insurance for the benefit of their customers in such form and amount as the BMA deems acceptable;
- Maintaining minimum net assets and liquidity;
- Appointing a senior representative resident in Bermuda;
- Maintaining a head office in Bermuda and to direct and manage their DAB from Bermuda;
- Implementing appropriate corporate governance, cybersecurity and risk management frameworks;
- Complying with Bermuda's AML/ATF regime; and
- Filing annual returns and audited financial statements with the BMA.

### *BMA's supervision and enforcement powers*

The BMA has wide-ranging supervisory powers. It has the power to compel production of information and documents (with criminal sanctions for non-production or for making false or misleading statements), the power to issue such directions as appear to be desirable to it for safeguarding the interests of a licensee's clients where a licensee is in breach of the DABA or regulations or rules applicable to it, and the power to impose conditions and restrictions on licences.

### **Share Capital**

The Companies Act 1981 (the "**Companies Act**") provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premiums on those shares shall be transferred to an account, to be called the "share premium account", to which the provisions of the Companies Act relating to a reduction of share capital of a company shall apply as if the share premium account was paid up share capital of the company except that the share premium account may be applied by the company:

- (A) in paying up unissued shares of the company to be issued to shareholders of the company as fully paid bonus shares;
- (B) in writing off:
  - (i) the preliminary expenses of the company; or

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- (ii) expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company; or
- (iii) in providing for the premiums payable on redemption of any shares or of any debentures of the company.

In the case of an exchange of shares the excess value of the shares acquired over the nominal value of the shares being issued may be credited to a contributed surplus account of the issuing company.

The Companies Act permits a company to issue preference shares and subject to the conditions stipulated therein to convert those preference shares into redeemable preference shares.

The Companies Act includes certain protections for holders of special classes of shares, requiring their consent to be obtained before their rights may be varied. Where provision is made by the memorandum of association or bye-laws for authorizing the variation of rights attached to any class of shares in the company, the consent of the specified proportions of the holders of the issued shares of that class or the sanction of a resolution passed at a separate meeting of the holders of those shares is required, and where no provision for varying such rights is made in the memorandum of association or bye-laws and nothing therein precludes a variation of such rights, the written consent of the holders of three-fourths of the issued shares of that class or the sanction of a resolution passed as aforesaid is required.

### **Financial assistance to purchase shares of a company or its holding company**

Subject to the provisions of the Companies Act, the bye-laws and the rules and regulations of an appointed stock exchange and any other relevant regulatory authority, a company may give, whether directly or indirectly, whether by means of loan, guarantee, provision of security or otherwise, any financial assistance for the purpose of the acquisition or proposed acquisition by any person of any shares in the company.

### **Purchase of shares and warrants by a company and its subsidiaries**

A company may, if authorized by its memorandum of association or bye-laws, purchase its own shares. Such purchases may only be effected out of the capital paid up on the purchased shares or out of the funds of the company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose.

Any premium payable on a purchase over the par value of the shares to be purchased must be provided for out of funds of the company otherwise available for dividend or distribution or out of the company's share premium account. Any amount due to a shareholder on a purchase by a company of its own shares may (i) be paid in cash; (ii) be satisfied by the transfer of any part of the undertaking or property of the company having the same value; or (iii) be satisfied partly under (i) and partly under (ii). Any purchase by a company of its own shares

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may be authorized by its board of directors or otherwise by or in accordance with the provisions of its bye-laws. Such purchase may not be made if, on the date on which the purchase is to be effected, there are reasonable grounds for believing that the company is, or after the purchase would be, unable to pay its liabilities as they become due. The shares so purchased may either be canceled or held as treasury shares. Any purchased shares that are canceled will, in effect, revert to the status of authorized but unissued shares. If shares of the company are held as treasury shares, the company is prohibited to exercise any rights in respect of those shares, including any right to attend and vote at meetings, including a meeting under a scheme of arrangement, and any purported exercise of such a right is void.

No dividend shall be paid to the company in respect of shares held by the company as treasury shares; and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to shareholders on a winding up) shall be made to the company in respect of shares held by the company as treasury shares. Any shares allotted by the company as fully paid bonus shares in respect of shares held by the company as treasury shares shall be treated for the purposes of the Companies Act as if they had been acquired by the company at the time they were allotted.

A company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under Bermuda law that a company's memorandum of association or its bye-laws contain a specific provision enabling such purchases.

Under Bermuda law, a subsidiary may hold shares in its holding company and in certain circumstances, may acquire such shares. A company, whether a subsidiary or a holding company, may only purchase its own shares if it is authorized to do so in its memorandum of association or bye-laws pursuant to section 42A of the Companies Act.

### **Dividends and distributions**

A company may not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that (i) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realizable value of the company's assets would thereby be less than its liabilities. Contributed surplus is defined for purposes of section 54 of the Companies Act to include the proceeds arising from donated shares, credits resulting from the redemption or conversion of shares at less than the amount set up as nominal capital and donations of cash and other assets to the company.

### **Protection of minorities**

Class actions and derivative actions are generally not available to shareholders under the laws of Bermuda. The Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong done to the company where the act complained of is alleged to be beyond the corporate power of the company or is illegal or would result in the violation of the company's memorandum of

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association and bye-laws. Furthermore, consideration would be given by the court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company's shareholders than actually approved it.

Any shareholder of a company who complains that the affairs of the company are being conducted or have been conducted in a manner oppressive or prejudicial to the interests of some part of the shareholders, including himself, may petition the court which may, if it is of the opinion that to wind up the company would unfairly prejudice that part of the shareholders but that otherwise the facts would justify the making of a winding up order on just and equitable grounds, make such order as it thinks fit, whether for regulating the conduct of the company's affairs in future or for the purchase of shares of any shareholders of the company by other shareholders of the company or by the company itself and in the case of a purchase by the company itself, for the reduction accordingly of the company's capital, or otherwise. Bermuda law also provides that the company may be wound up by the Bermuda court, if the court is of the opinion that it is just and equitable to do so. Both these provisions are available to minority shareholders seeking relief from the oppressive conduct of the majority, and the court has wide discretion to make such orders as it thinks fit.

Except as mentioned above, claims against a company by its shareholders must be based on the general laws of contract or tort applicable in Bermuda.

A statutory right of action is conferred on subscribers of shares in a company against persons, including directors and officers, responsible for the issue of a prospectus in respect of damage suffered by reason of an untrue statement therein, but this confers no right of action against the company itself. In addition, such company, as opposed to its shareholders, may take action against its officers including directors, for breach of their statutory and fiduciary duty to act honestly and in good faith with a view to the best interests of the company.

### **Management**

The Companies Act contains no specific restrictions on the power of directors to dispose of assets of a company, although it specifically requires that every officer of a company, which includes a director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Furthermore, the Companies Act requires that every officer should comply with the Companies Act, regulations passed pursuant to the Companies Act and the bye-laws of the company. The directors of a company may, subject to the bye-laws of the company, exercise all the powers of the company except those powers that are required by the Companies Act or the bye-laws to be exercised by the shareholders of the company.

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## REGULATORY OVERVIEW

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### Accounting and auditing requirements

The Companies Act requires a company to cause proper records of accounts to be kept with respect to (i) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place; (ii) all sales and purchases of goods by the company and (iii) the assets and liabilities of the company.

Furthermore, it requires that a company keeps its records of account at the registered office of the company or at such other place as the directors think fit and that such records shall at all times be open to inspection by the directors or the resident representative of the company. If the records of account are kept at some place outside Bermuda, there shall be kept at the office of the company in Bermuda such records as will enable the directors or the resident representative of the company to ascertain with reasonable accuracy the financial position of the company at the end of each three month period, except that where the company is listed on an appointed stock exchange, there shall be kept such records as will enable the directors or the resident representative of the company to ascertain with reasonable accuracy the financial position of the company at the end of each six month period.

The Companies Act requires that the directors of the company must, at least once a year, lay before the company in general meeting financial statements for the relevant accounting period. Further, the company's auditor must audit the financial statements so as to enable him to report to the shareholders. Based on the results of his audit, which must be made in accordance with generally accepted auditing standards, the auditor must then make a report to the shareholders. The generally accepted auditing standards may be those of a country or jurisdiction other than Bermuda or such other generally accepted auditing standards as may be appointed by the Minister of Finance of Bermuda under the Companies Act; and where the generally accepted auditing standards used are other than those of Bermuda, the report of the auditor shall identify the generally accepted auditing standards used. All shareholders of the company are entitled to receive a copy of every financial statement prepared in accordance with these requirements, at least five days before the general meeting of the company at which the financial statements are to be tabled. A company the shares of which are listed on an appointed stock exchange may send to its shareholders summarized financial statements instead. The summarized financial statements must be derived from the company's financial statements for the relevant period and contain the information set out in the Companies Act. The summarized financial statements sent to the company's shareholders must be accompanied by an auditor's report on the summarized financial statements and a notice stating how a shareholder may notify the company of his election to receive financial statements for the relevant period and/or for subsequent periods.

The summarized financial statements together with the auditor's report thereon and the accompanied notice must be sent to the shareholders of the company not less than twenty-one days before the general meeting at which the financial statements are laid. Copies of the financial statements must be sent to a shareholder who elects to receive the same within seven days of receipt by the company of the shareholder's notice of election.

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### **Auditors**

At each annual general meeting, a company must appoint an auditor to hold office until the close of the next annual general meeting; however, this requirement may be waived if all of the shareholders and all of the directors, either in writing or at the general meeting, agree that there shall be no auditor.

A person, other than an incumbent auditor, shall not be capable of being appointed auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of auditor has been given not less than twenty-one days before the annual general meeting. The company must send a copy of such notice to the incumbent auditor and give notice thereof to the shareholders not less than seven days before the annual general meeting. An incumbent auditor may, however, by notice in writing to the secretary of the company waive the requirements of the foregoing.

Where an auditor is appointed to replace another auditor, the new auditor must seek from the replaced auditor a written statement as to the circumstances of the latter's replacement. If the replaced auditor does not respond within fifteen days, the new auditor may act in any event. An appointment as auditor of a person who has not requested a written statement from the replaced auditor is voidable by a resolution of the shareholders at a general meeting. An auditor who has resigned, been removed or whose term of office has expired or is about to expire, or who has vacated office is entitled to attend the general meeting of the company at which he is to be removed or his successor is to be appointed; to receive all notices of, and other communications relating to, that meeting which a shareholder is entitled to receive; and to be heard at that meeting on any part of the business of the meeting that relates to his duties as auditor or former auditor.

### **Exchange control**

An exempted company is usually designated as "non resident" for Bermuda exchange control purposes by the BMA. Where a company is so designated, it is free to deal in currencies of countries outside the Bermuda exchange control area which are freely convertible into currencies of any other country. The permission of the BMA is required for the issue of shares and securities by the company and the subsequent transfer of such shares and securities. In granting such permission, the BMA accepts no responsibility for the financial soundness of any proposals or for the correctness of any statements made or opinions expressed in any document with regard to such issue. Before the company can issue or transfer any further shares and securities in excess of the amounts already approved, it must obtain the prior consent of the BMA.

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## REGULATORY OVERVIEW

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The BMA has granted general permission for the issue and transfer of shares and securities to and between persons regarded as resident outside Bermuda for exchange control purposes without specific consent for so long as any equity securities, including shares, are listed on an appointed stock exchange (as defined in the Companies Act). Issues to and transfers involving persons regarded as “resident” for exchange control purposes in Bermuda will be subject to specific exchange control authorization.

### **Taxation**

The Bermuda Corporate Income Tax Act 2023 (“**Bermuda CITA 2023**”) generally imposes a 15 per cent. corporate income tax on entities that are incorporated or formed in Bermuda or have a Bermuda permanent establishment and are members of multi-national groups with consolidated revenues in excess of €750 million for at least two of the last four fiscal years, notwithstanding any assurance given pursuant to the Bermuda Exempted Undertakings Tax Protection Act 1966, as amended (the “**EUTP Act**”).

Bermuda businesses that are not within the scope of the Bermuda CITA will continue to not be subject to corporate income tax in Bermuda.

An exempted company is not liable for any other direct taxes in Bermuda, and it can obtain a statutory assurance (known as a Tax Assurance Certificate) from the Bermuda Minister of Finance under the EUTP Act that no new tax computed on profits or income or computed on any capital asset, gain or appreciation will apply to it until at least the year 2035. This assurance is subject to the proviso that the assurance shall not be construed so as to (i) prevent the application of any such tax or duty to such persons as are ordinarily resident in Bermuda and (ii) prevent the application of any tax payable in accordance with the provisions of the Land Tax Act 1967 or otherwise payable in relation to the land leased to the company. The Bermuda CITA applies notwithstanding the existence of previously issued Tax Assurance Certificates for Bermuda businesses that are within the scope of Bermuda CITA.

### **Stamp duty**

An exempted company is exempt from all stamp duties except on transactions involving “Bermuda property”. This term relates, essentially, to real and personal property physically situated in Bermuda, including shares in local companies (as opposed to exempted companies). Transfers of shares and warrants in all exempted companies are exempt from Bermuda stamp duty.

### **Loans to directors**

Bermuda law prohibits the making of loans by a company to any of its directors or to their families or companies in which they hold more than a twenty per cent. interest, without the consent of any shareholder or shareholders holding in aggregate not less than nine tenths of the total voting rights of all shareholders having the right to vote at any meeting of the shareholders of the company.

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These prohibitions do not apply to (a) anything done to provide a director with funds to meet the expenditure incurred or to be incurred by him for the purposes of the company, provided that the company gives its prior approval at a general meeting or, if not, the loan is made on condition that it will be repaid within six months of the next following annual general meeting if the loan is not approved at or before such meeting, (b) in the case of a company whose ordinary business includes the lending of money or the giving of guarantees in connection with loans made by other persons, anything done by the company in the ordinary course of that business, or (c) any advance of moneys by the company to any officer or auditor under Section 98(2)(c) of the Companies Act which allows the company to advance moneys to an officer or auditor of the company for the costs incurred in defending any civil or criminal proceedings against them, on condition that the officer or auditor shall repay the advance if any allegation of fraud or dishonesty is proved against them. If the approval of the company is not given for a loan, the directors who authorized it will be jointly and severally liable for any loss arising therefrom.

### **Inspection of corporate records**

Members of the general public have the right to inspect the public documents of a company available at the office of the Registrar of Companies in Bermuda which will include the company's certificate of incorporation, its memorandum of association (including its objects and powers) and any alteration to the company's memorandum of association. The shareholders of the company have the additional right to inspect the bye-laws of a company and the company's audited financial statements, which must be presented to the annual general meeting. Minutes of general meetings of a company are also open for inspection by shareholders or directors of the company without charge for not less than two hours during business hours each day. The register of members of a company is open for inspection by members of the public without charge. The company is required to maintain its share register in Bermuda but may, subject to the provisions of the Companies Act, establish a branch register outside Bermuda. Any branch register of members established by the company is subject to the same rights of inspection as the principal register of members of the company in Bermuda. Any person may on payment of a fee prescribed by the Companies Act require a copy of the register of members or any part thereof which must be provided within fourteen days of a request. Bermuda law does not, however, provide a general right for shareholders to inspect or obtain copies of any other corporate records.

A company is required to maintain a register of directors and officers at its registered office and such register must be made available for inspection for not less than two hours in each day by members of the public without charge. If summarized financial statements are sent by a company to its shareholders pursuant to section 87A of the Companies Act, a copy of the summarized financial statements must be made available for inspection by the public at the registered office of the company in Bermuda.

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### **Winding up**

A company may be wound up by the Bermuda court on application presented by the company itself, its creditors or its contributors. The Bermuda court also has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the Bermuda court, just and equitable that such company be wound up.

A company may be wound up voluntarily when the shareholders so resolve in general meeting, or, in the case of a limited duration company, when the period fixed for the duration of the company by its memorandum expires, or the event occurs on the occurrence of which the memorandum provides that the company is to be dissolved. In the case of a voluntary winding up, such company is obliged to cease to carry on its business from the time of passing the resolution for voluntary winding up or upon the expiry of the period or the occurrence of the event referred to above. Upon the appointment of a liquidator, the responsibility for the company's affairs rests entirely in his hands and no future executive action may be carried out without his approval.

Where, on a voluntary winding up, a majority of directors make a statutory declaration of solvency, the winding up will be a members' voluntary winding up. In any case where such declaration has not been made, the winding up will be a creditors' voluntary winding up.

In the case of a members' voluntary winding up of a company, the company in general meeting must appoint one or more liquidators within the period prescribed by the Companies Act for the purpose of winding up the affairs of the company and distributing its assets. If the liquidator at any time forms the opinion that such company will not be able to pay its debts in full, he is obliged to summon a meeting of creditors.

As soon as the affairs of the company are fully wound up, the liquidator must make up an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation thereof. This final general meeting requires at least one month's notice published in an appointed newspaper in Bermuda.

In the case of a creditors' voluntary winding up of a company, the company must call a meeting of creditors of the company to be summoned on the day following the day on which the meeting of the shareholders at which the resolution for winding up is to be proposed is held. Notice of such meeting of creditors must be sent at the same time as notice is sent to shareholders. In addition, such company must cause a notice to appear in an appointed newspaper on at least two occasions.

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The creditors and the shareholders at their respective meetings may nominate a person to be liquidator for the purposes of winding up the affairs of the company provided that if the creditors nominate a different person, the person nominated by the creditors shall be the liquidator. The creditors at the creditors' meeting may also appoint a committee of inspection consisting of not more than five persons.

If a creditors' winding up continues for more than one year, the liquidator is required to summon a general meeting of the company and a meeting of the creditors at the end of each year to lay before such meetings an account of his acts and dealings and of the conduct of the winding up during the preceding year. As soon as the affairs of the company are fully wound up, the liquidator must make an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed of, and thereupon shall call a general meeting of the company and a meeting of the creditors for the purposes of laying the account before such meetings and giving an explanation thereof.

### **Discontinuation of companies**

An exempted company may be continued in a country or jurisdiction outside Bermuda as if it has been incorporated under the laws of that other jurisdiction and be discontinued under the Companies Act, provided that, inter alia, it is an appointed jurisdiction pursuant to the Companies Act, or has been approved by the Minister, upon application by the company for the purpose of the discontinuance of the company out of Bermuda.

## **OVERVIEW OF THE LAWS AND REGULATIONS RELATING TO OUR BUSINESS AND OPERATIONS IN CAYMAN ISLANDS**

### **Cayman VASP Regime**

The Cayman Islands virtual asset service providers regime comprises of the Virtual Asset (Service Providers) Act (2024 Revision), as amended by the Virtual Asset (Service Providers) (Amendment) (No. 2) Act, 2023 and the Virtual Asset (Service Providers) (Amendment) Act, 2024 (collectively, the **VASP Act**) and the Virtual Asset (Services Providers) Regulations, 2020 (as amended by the Virtual Asset (Service Providers) (Amendment) Regulations, 2025) (the **VASP Regulations**), together with the rules and guidance issued by the Cayman Islands Monetary Authority (**CIMA**) in connection therewith (collectively with the VASP Act and the VASP Regulations, the **Cayman VASP Regime**). The Cayman VASP Regime was introduced in response to recommendations made by the Financial Action Task Force in order to combat money laundering and provides a framework for the regulation of virtual asset businesses in the Cayman Islands and for the registration and licensing of persons who are providing “virtual asset services”.

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Under the Cayman VASP Regime, “virtual asset services” include the issuance of virtual assets, as well as the business of providing one or more services or operations that involve: (i) virtual asset exchange (for other virtual assets or fiat and vice versa), (ii) virtual asset transfers; (iii) virtual asset custody; or (iv) the participation in, and provision of, financial services relating to a virtual asset issuance or the sale of a virtual assets (which may include businesses accepting purchase orders and funds and purchasing virtual assets from an issuer to resell and distribute the funds or assets, as well as book building, underwriting, market making and placement agent activity), in each case, for or on behalf of a natural or legal person or legal arrangement.

On October 28, 2020, the Cayman Islands Government announced that the Cayman VASP Regime was to commence in phases, with “Phase 1” commencing on October 31, 2020. Phase 1 required all relevant businesses that engaged in or wished to engage in “virtual asset services” to register with CIMA by January 31, 2021. The registration requirement under Phase 1 focused on anti-money laundering and countering the financing of terrorism. Published on December 19, 2024, the Virtual Asset (Service Providers) (Amendment) Act, 2024 came into force on April 1, 2025 providing for the implementation of the “Phase 2” licensing regime for virtual asset trading platforms and applicable entities providing virtual asset custody services and focuses on prudential measures for the provision of those virtual asset services.

Following the “Phase 2” introduction, any person in the business of providing custodial services of virtual assets or operating or intend to operate a virtual asset trading platform will now require a licence from, and be regulated by, CIMA. All other persons carrying on or intending to carry on virtual asset services need to register with CIMA.

The Cayman VASP Regime requires that no person shall carry on, or purport to carry on, a virtual asset service in or from within the Cayman Islands unless that person is either registered, licensed or is a “supervised person” (being a person already licensed or registered by CIMA under any other regulatory law but is not licensed or registered under the VASP Act) that has been granted a waiver by CIMA.

The Cayman VASP Regime regulates the “issuance of virtual assets”, which means the sale of newly created virtual assets to the public in or from within the Cayman Islands in exchange for fiat currency, other virtual assets, or other consideration but does not include the sale of virtual service tokens.

HashKey Holdings Limited, HashKey FinTech Investment and Pagoda Trading Limited (the **Cayman Entities**) are each exempted companies incorporated in the Cayman Islands with limited liability, and accordingly are required to be either registered and/or licensed, as the case may be, if such entities were engaged in providing virtual asset services. In light of the activities of the Cayman Entities, no Cayman Entity is carrying on, or purports to carry on, virtual asset services for or on behalf of a natural or legal person or legal arrangement in or from within the Cayman Islands and nor do they intend to be. No Cayman Entity has performed, or intends to perform, an issuance of virtual assets.

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### **Offences where no licence or registration or a waiver**

Where CIMA has determined that a person is engaged in virtual asset services without a licence, registration or a waiver under the VASP Act, or a person is otherwise in contravention of the VASP Act, it may direct the person to cease and desist from carrying out the activity which is in contravention of the VASP Act.

Pursuant to sections 35(1) and (2) of the VASP Act, a person who carries on, or purports to carry on, a virtual asset service in or from within the Cayman Islands for which registration is required who is not a registered person or the holder of a waiver under the VASP Act, commits an offense and is liable on summary conviction to a fine of US\$30,000 (thirty thousand US Dollars) and to imprisonment for one year.

Where the offense continues after conviction, the person shall be liable to a fine of US\$12,000 (twelve thousand US Dollars) for each day during which the offense continues.

A supervised person who fails to make an application under this section while carrying on virtual asset service commits an offense and is liable on summary conviction to a fine of fifty thousand US dollars.

Section 35(3) of the VASP Act provides that a person who carries on, or purports to carry on virtual asset custody services or operate a virtual asset trading platform, in or from within the Cayman Islands who is not a licensee or is not a person who is in receipt of a waiver under the VASP Act, commits an offense and is liable on summary conviction to a fine of US\$120,000 (one hundred and twenty thousand US Dollars) and to imprisonment for one year and in the case of a continuing offense, to a fine of US\$12,000 (twelve thousand US Dollars) for each day during which the offense continues.

### **Evolving regulatory environment**

Virtual assets generally are an evolving asset class and the Cayman VASP Regime is new law and the legislation is open to interpretation. There is little formal guidance published by CIMA and there is no body of precedent Cayman Islands case law to which to refer for guidance. Furthermore, legislation such as the Proceeds of Crime Act (Revised) and the International Tax Co-operation (Economic Substance) Act (Revised), together with regulations and guidance issued or made thereunder, have not been revised or updated to cover all scenarios that involve virtual assets and such law is therefore open to interpretation as regards their applicability to the activities of the Cayman Entities.

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### OVERVIEW OF THE LAWS AND REGULATIONS RELATING TO OUR BUSINESS AND OPERATIONS IN UAE

#### Dubai World Trade Centre (“DWTC”) Company Regulations

The Dubai World Trade Centre Authority Company Regulations 2015 (“**DWTC Regulations**”) provide a comprehensive legal framework for the formation, registration, management, and operation of companies within the DWTC free zone. The DWTC Regulations cover key aspects such as company incorporation procedures, share capital requirements, the rights and obligations of shareholders, the appointment and duties of directors and officers, and the conduct of meetings. They also address the maintenance of company records, preparation and audit of financial statements, dividend distributions, and procedures for amalgamations, takeovers, and winding up (liquidation) of companies. Additionally, the DWTC Regulations set out rules for investigations, enforcement, penalties, and the registration and operation of branches or representative offices of foreign companies, ensuring robust corporate governance and regulatory compliance within the free zone.

#### Real Beneficiary Regulations

The Cabinet Resolution No. 109 of 2023 concerning the Regulation of Real Beneficiary Procedures (“**UBO Regulations**”), establish a comprehensive framework for identifying, registering, and maintaining up-to-date information on the real (ultimate) beneficiaries of legal persons registered in the UAE, including free zone companies. The UBO Regulations require companies to create and regularly update a real beneficiary register and a partners or shareholders register, detailing the natural persons who ultimately own or control at least 25% of the company’s capital or voting rights, or who otherwise exercise effective control. The UBO Regulations also set out procedures for verifying and reporting UBO information to the relevant registrar, obligations for transparency, data accuracy, and timely updates, as well as requirements for record-keeping, confidentiality, and cooperation with authorities for anti-money laundering and counter-terrorism financing purposes. Exemptions apply to companies wholly owned by the government and those in financial free zones, while strict administrative penalties are imposed for non-compliance, ensuring enhanced transparency and alignment with international standards.

#### Anti-Money Laundering Law

Federal Decree-Law No. (20) of 2018 On Anti-Money Laundering, Combating the Financing of Terrorism and Financing of Illegal Organizations (“**AML Law**”) is a federal law that applies across the UAE and is aimed at combating money laundering, terrorist financing, and the financing of illegal organizations. It covers all financial institutions, designated non-financial businesses and professions (“**DNFBPs**”), virtual asset service providers and any other persons or entities specified by the AML Law or its implementing regulations. The AML Law explicitly applies to all entities operating in the UAE, including those established in free zones such as the DWTC with no exemptions for free zone companies regardless of their business activity or licensing authority. Enforcement is carried out by UAE federal authorities,

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and free zone regulators are required to cooperate with them. Companies licensed to deal in virtual assets, such as cryptocurrencies and tokens, are considered to operate in a high-risk sector and are subject to the full scope of the anti-money laundering (“**AML**”)/counter-terrorism financing (“**CTF**”) regime, which includes requirements for customer due diligence, suspicious transaction reporting, record-keeping, internal controls, staff training, and cooperation with federal authorities.

### **Labor Law**

Federal Decree Law No. 33 of 2021 (as amended) and its Executive Regulations Cabinet Resolution No. 1 of 2022 (together, the “**Labor Law**”), as well as any employment-related rules and regulations that the Dubai World Trade Center Authority (“**DWTCA**”) may implement from time to time, regulate employment in the private sector. From a Labor Law perspective, HashKey MENA FZE’s obligations towards employees includes payment of salaries, providing health insurance coverage, providing Work Authorization (as defined below), leave entitlements, end of service benefits/pension (as applicable) and any other contractual benefits. Non-compliance with the Labor Law may trigger fines imposed on the employer ranging between AED 5,000 and AED 1,000,000 (with a possible multiplier effect for the number of employees affected).

Work authorization in the UAE is provided to employees by way of obtaining a residency visa (if applicable) i.e. for non-UAE/GCC nationals, commonly sponsored by the employer unless the individual has their own residency visa arrangement and a work permit (the “**Work Authorization**”) obtained through the applicable labor authority i.e. DWTCA. Work Authorization is employer specific and location specific meaning that employees can only work for their sponsoring employer. Employers are subject to random inspections by the immigration and labor authorities of commercial office premises to check that the individuals working in that office have the correct permissions and approvals to do so. In the event of an inspection (whether by the immigration or the labor authority), and if it was found that an employee was not compliant with Work Authorization requirements, various penalties could be imposed as follows:

- The entity/entities involved could be issued with fines of approximately AED 50,000 by the immigration authority;
- The entity/entities involved could be issued with additional fines by the applicable labor authority;
- The employee could face detention and/or deportation for working without the correct approvals; and/or
- In a worst-case scenario, there could also be licensing repercussions (e.g. suspension/revocation of the commercial trade license).

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In relation to end of service benefits, qualifying UAE national employees (holding a family book) and other GCC nationals are entitled to employer and employee monthly pension contributions through the General Pension and Social Security Authority (“GPSSA”) in accordance with the applicable pension laws. For non-GCC national employees, HashKey MENA FZE is responsible for accrual and payment of their end of service gratuity entitlements subject to having a minimum of 12 months’ service calculated from the commencement of their employment up to termination of their employment with HashKey MENA FZE.

### **Trademark Law**

Trademarks are currently regulated and protected under Federal Decree-Law no. (36) of 2021 (the “**Trademark Law**”). The Trademark Law protects trademarks, which are words, symbols, names, or logos that are unique enough to distinguish goods and services of one business from another. It determines that any person who registers a mark shall be deemed its sole owner and therefore have the exclusive right to use the trademark for their goods or services.

Under the Trademark Law, trademarks registered in the name of HashKey MENA FZE will be protected for a period of ten years upon registration with the UAE Ministry of Economy, commencing on the date of first filing. This protection can be renewed for a further period of ten years indefinitely.

### **Copyright Law**

Copyrights are currently regulated in the UAE under Federal Decree-Law no. (38) of 2021 (the “**Copyright Law**”). The Copyright Law protects original expressions of creative works in the fields of literature, art, or the sciences, regardless of the kind or manner of its expression, and regardless of its importance or its purpose. Importantly, the Copyright Law does not protect ideas, but rather the original material produced by virtue of a creative process. The categories of protected works listed by the Copyright Law include (to name a few) literary works, dramatic works, audio and video works, smart applications, computer software/programs and applications, databases, and any other similar works to be determined by a Ministerial decision.

Under the Copyright Law, where HashKey MENA FZE is the registrant of an intellectual work, copyright protection will last 50 years from the first day of the next calendar year of the first publication of the registered work.

### **Additional Intellectual Property (“IP”) regulatory summaries**

HashKey MENA FZE is operating within the virtual assets sector for which local laws and regulations are still evolving. At the time of writing, the above IP laws and regulations (namely, the Trademark Law, the Patent Law, and the Copyright Law) are in place and will apply. There are currently no anticipated changes in laws and regulations that could materially impact HashKey MENA FZE’s business from an IP perspective.

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### *UAE Personal Data Protection Law*

Federal Decree-Law No. 45 of 2021 Regarding the Protection of Personal Data (“**PDPL**”) entered into force on January 2, 2022 and sets out the first unified, on-shore privacy regime in the UAE. The PDPL applies to any “Controller” or “Processor” that carries out wholly or partly automated processing of “Personal Data” (as widely defined) in the UAE, and to entities located outside the UAE that process the Personal Data of individuals who are in the UAE. HashKey MENA FZE is incorporated in the DWTC free zone, which does not currently have its own standalone data-protection legislation; accordingly, none of the free-zone exemptions in Article 2(2)(g) PDPL is engaged and the PDPL applies to HashKey MENA FZE in full.

In practice, HashKey MENA FZE may act as both a Controller (in respect of customer onboarding, Know Your Customer/AML, account administration and marketing) and as a Processor (where it handles Personal Data on behalf of other group entities). Key PDPL obligations that are relevant to HashKey MENA FZE’s virtual-asset exchange and broker-dealer activities include: (i) processing personal data only on a lawful basis (most commonly, explicit consent or contractual necessity); (ii) implementing “appropriate technical and organisational measures” to ensure confidentiality, integrity and availability of Personal Data, including encryption, intrusion-prevention systems and regular penetration testing (Article 20); (iii) maintaining an internal record of processing activities (Article 7(4)); (iv) appointing a Data Protection Officer where processing is likely to result in a “high-level risk” to Data Subjects (Article 10) — a threshold that is generally triggered by large-scale, technology-driven financial-services processing; (v) conducting and documenting Data Protection Impact Assessments before adopting new technologies or undertaking high-risk processing (Article 21); and (vi) notifying the UAE Data Office (“**Bureau**”) — and, in certain circumstances, affected Data Subjects — of any Personal Data Breach “as soon as” the breach is discovered (Article 9).

The PDPL restricts cross-border transfers of Personal Data. HashKey MENA FZE may transmit customer-related Personal Data to overseas counterparts (e.g., Hong Kong) only where the recipient jurisdiction ensures an “adequate level of protection” (Article 22) or where one of the specified derogations applies, such as explicit Data Subject consent or contractual necessity (Article 23). Controllers and Processors must regularise their compliance programmes within the transitional period prescribed by the forthcoming Executive Regulations. Breach of the PDPL can trigger administrative fines to be stipulated by UAE Cabinet resolution; serious breaches may also expose the entity to suspension of processing activities or other regulatory sanctions.

While the PDPL has been issued and is in force, its full enforceability is pending the issuance of the Executive Regulations. Once the Executive Regulations are issued, companies will benefit from a one-year grace period to achieve full compliance with the law.

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### *UAE Cybercrime Law*

Federal Decree-Law No. 34 of 2021 (the “**UAE Cybercrime Law**”) establishes criminal and administrative liabilities for offenses related to information technology, electronic transactions, and digital systems in the UAE. For HashKey MENA FZE, which operates as a virtual asset exchange and broker-dealer, the UAE Cybercrime Law is relevant in several respects:

- **Unauthorized Access and Hacking:** HashKey MENA FZE must implement measures to prevent unauthorized access to its digital systems, platforms, and user data, as breaches could trigger criminal liability under the UAE Cybercrime Law.
- **Fraudulent Activities:** The UAE Cybercrime Law criminalizes cyber fraud, including manipulation of electronic transactions or virtual assets. HashKey MENA FZE must ensure robust monitoring and reporting mechanisms to prevent misuse of its platform for fraudulent purposes.
- **Data Protection and Confidentiality:** While the UAE Cybercrime Law does not replace the UAE PDPL, it emphasizes the security and confidentiality of digital data. HashKey MENA FZE should maintain strong cybersecurity protocols to protect personal and sensitive data of its clients.
- **Electronic Transactions and Digital Assets:** The UAE Cybercrime Law governs electronic communications and transactions, including virtual asset transfers, meaning HashKey MENA FZE’s operational processes must comply with legal standards for transparency, integrity, and security of transactions.

HashKey MENA FZE, as a virtual asset exchange and broker-dealer, is required to comply with the UAE Cybercrime Law in its operational and digital activities. Key compliance considerations include maintaining robust cybersecurity, intrusion detection, and incident-response measures; implementing strong data-governance and privacy frameworks; vetting marketing, communications, and announcements to avoid misleading content; preventing fraud, and maintaining lawful electronic transaction procedures. Non-compliance may result in significant fines, imprisonment, platform shutdowns, asset confiscation, and reputational damage.

### *UAE Modern Technology-Based Trade Law*

Federal Decree-Law No. (14) of 2023 (the “**Modern Technology-Based Trade Law**”) establishes the legal framework for the regulation of trade conducted through modern technological means in the UAE. The Modern Technology-Based Trade Law applies to the sale and purchase of goods, services, and related data via technological platforms, including websites, e-platforms, smart applications, and other digital means. It aims to promote digital trade, protect consumers, regulate digital transactions and platforms, and ensure data protection and cybersecurity.

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## REGULATORY OVERVIEW

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The Modern Technology-Based Trade Law applies to any entity conducting activities related to modern technology-based trade within the UAE, including free zones, where such activities extend beyond the free zone or where no specific free zone legislation exists. As HashKey MENA FZE is a DWTC free zone entity operating a virtual asset exchange and broker-dealer services platform, its business activities, particularly those involving the offering of digital services and the facilitation of transactions in digital assets, fall within the scope of this law.

Under the Modern Technology-Based Trade Law:

- HashKey MENA FZE must obtain and maintain all necessary approvals, permits, and licenses from the competent authorities for its digital trading activities.
- There are obligations to protect consumer rights, including transparency in terms and conditions, clear disclosure of prices and fees, provision of secure digital payment methods, and mechanisms for complaint resolution.
- There are requirements to comply with UAE data protection legislation, the implementation of cybersecurity measures, and restrictions on the sharing of consumer data without consent.
- Digital contracts and signatures are recognized as legally valid, provided they meet the requirements of the law for identity verification and consent.
- There are dispute resolution mechanisms, including the formation of committees and the option for arbitration, subject to certain thresholds.

### *Financial Regulatory Law*

#### *Emirate of Dubai*

Law No. 4 of 2022 Regulating Virtual Assets in the Emirate of Dubai (the “**Dubai VA Law**”) establishes Dubai Virtual Assets Regulatory Authority (“**VARA**”) and vests it with exclusive competence to authorize and supervise all virtual-asset activities in “on-shore” Dubai and the majority of free zones (excluding the Dubai International Financial Centre).

VARA issues the Virtual Assets and Related Activities Regulations 2023 (the “**VA Regulations**”) and the associated compulsory and activity-specific Rulebooks. As an entity licensed and regulated by VARA, HashKey MENA FZE is required to comply with VARA’s regulations such as the four mandatory rulebooks (including the Compliance and Risk Management Rulebook (“**C&M Rulebook**”), Technology & Information, Market Conduct, Marketing & Promotions and activity specific rulebooks (including the Exchange Services Rulebook) and the Broker-Dealer Services Rulebook.

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## REGULATORY OVERVIEW

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### *Federal UAE*

Federal Decree by Law No. (50) of 2022, Promulgating the Commercial Transactions Law (the “**Commercial Transactions Law**”), is a federal law that applies throughout the UAE, including all emirates and their respective jurisdictions. This law governs commercial transactions, including contracts, negotiable instruments, commercial obligations, and bankruptcy, and is intended to apply to all commercial activities conducted within the UAE. The Commercial Transactions Law applies to all commercial entities operating in the UAE, including those incorporated in the DWTC free zone, unless a specific exemption is provided by another law or the free zone’s own regulations. As such, DWTC companies must comply with the provisions of the Commercial Transactions Law in their commercial dealings, contracts, and financial operations. Additionally, the Commercial Transactions Law explicitly recognizes “virtual business” and “virtual assets” as commercial assets. The Commercial Transactions Law is considered the general law to be referred to for HashKey MENA FZE’s commercial operations in the absence of a specific rule in other legislation.

Cabinet Resolution No. (111) of 2022 Regulating Virtual Assets and the Related Service Providers (“**Cabinet Resolution**”) provides the overarching federal framework for virtual assets regulation, under which VARA operates as the competent local authority in Dubai. It mandates that any person or entity conducting virtual assets activities in the UAE must be licensed by either the Securities and Commodities Authority (“**SCA**”) or the relevant local licensing authority (VARA for Dubai). The Cabinet Resolution also sets minimum requirements for VASPs, including capital, compliance, AML/CTF, and technology standards, which are reflected in VARA’s own regulations and rulebooks, among other requirements.

SCA is consulting on a federal framework that would unify oversight across the Emirates (outside the Dubai International Financial Centre and the Abu Dhabi Global Market). Inter-operability provisions with VARA are anticipated; however, transition arrangements have not been announced.

### *Insurance Law*

Insurance activities in the UAE are regulated by the Central Bank of the UAE under Federal Decree-Law No. 48 of 2023 Regulating Insurance Activities (“**Insurance Law**”), together with its implementing regulations and circulars. In addition, health insurance is regulated at the Emirate level. In Dubai, the Dubai Health Authority (“**DHA**”) mandates employers to provide health insurance coverage for their employees in line with the minimum benefits defined by DHA.

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## REGULATORY OVERVIEW

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With regards HashKey MENA FZE, the insurance obligations applicable are as follows:

1. *Employee Health Insurance*

Employee health insurance is mandatory for all employees. There is an annual policy limit of not less than AED 150,000 per insured employee and the coverage must meet DHA's minimum benefit standards. The policy must be obtained from an insurance company licensed by the Central Bank and registered with DHA to carry out health insurance business in Dubai.

2. *Public Liability Insurance*

DWTC rules require all licensees to maintain a valid public liability insurance policy. The required coverage limits are set by the Authority:

- AED 500,000 for entities with up to 19 employees;
- AED 1,000,000 for entities with 20 or more employees.

The policy must cover each occurrence, with no restriction on the number of occurrences.

3. *Workmen's Compensation Insurance*

DWTC rules further require all licensees to maintain valid workmen's compensation insurance. This policy must cover permanent injury, disability, and related medical expenses, in accordance with the Labor Law and the free zone rules.

4. *Motor Vehicle Insurance (if applicable)*

To the extent that HashKey MENA FZE owns or operates motor vehicles, it must obtain and maintain a motor third-party liability insurance policy in compliance with UAE law.

5. *VARA Company Regulation Insurance Obligations*

In addition to DWTC rules, as a VASP, HashKey MENA FZE is subject to Rule VI.D of VARA's Company Rulebook, which requires VASPs to hold and maintain the following policies:

- Professional Indemnity Insurance — covering negligence, errors/omissions in the provision of VA services;
- Directors' and Officers' Liability Insurance — covering management and board liability;
- Commercial Crime Insurance (or equivalent) — specifically covering risks associated with hot wallet storage of virtual assets; and

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## REGULATORY OVERVIEW

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- Other Insurance — as may be assessed by VARA as appropriate and imposed as a condition of the licence.

All insurance must be placed with a regulated insurer. The Insurance Law which is a federal law applicable across UAE including all non-financial freezone, all the local risk in the UAE must be insured directly by the Central Bank licensed insurer. Therefore, all the above-mentioned insurance policy maintained by HashKey MENA FZE must be issued by a locally licensed insurer.

### *Corporate Tax*

#### *Overview of Federal level corporate tax regime*

Pursuant to the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the “**Federal CT Law**”), the UAE introduced federal-level corporate tax imposed on business and commercial activities.

In the context of juridical persons, corporate tax is imposed on the taxable income of resident persons or, in specific circumstances, non-resident persons. The definitions of the term ‘resident’ and ‘non-resident’ are provided in the Federal CT Law.

On the understanding that HashKey MENA FZE is an entity incorporated in the DWTC free zone, in the UAE, it would generally be considered a ‘resident’ person for UAE corporate tax purposes and would be subject to corporate tax on that basis. Accordingly, the provisions governing taxation of non-resident persons should not be relevant to HashKey MENA FZE.

The Federal CT Law applies to financial periods beginning on or after June 1, 2023 (meaning that by way of example, for companies with January to December financial periods, the first taxable year was the financial year beginning on January 1, 2024).

#### *Corporate Tax Rate*

The corporate tax rate is set at 0% (zero percent) for taxable income up to AED 375,000, and 9% (nine percent) for taxable income that exceeds AED 375,000.

In line with the OECD’s Base Erosion and Profit Shifting, or the BEPS, Pillar 2 framework, the UAE introduced Federal Decree-Law No. 60 of 2023 (amending the Federal CT Law) providing for a top-up tax to be applied to entities that are part of large multinational enterprises (“**MNE**”), such that the effective tax rate becomes 15% (the “**Top-Up Tax**”). Cabinet Decision No. 142 of 2024 was subsequently issued providing the rules and details on the application of the Top-Up Tax and governing its implementation.

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## REGULATORY OVERVIEW

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Effective January 1, 2025, the Top-Up Tax is generally applicable to constituent entities that are members of MNE groups that have an annual revenue of EUR 750,000,000 or more in the consolidated financial statements of the ultimate parent entity in at least two of the four fiscal years immediately preceding the tested financial year.

### *Qualifying Free Zone Persons*

Entities incorporated or registered in free zones that are considered ‘qualifying free zone persons’ (“**QFZP**”) are subject to 0% tax on their ‘qualifying income’ provided that their non-qualifying income does not exceed a specified de minimis threshold. The Federal CT Law prescribes substantive conditions that free zone entities must satisfy in order to be treated as QFZP, and related cabinet decisions define qualifying income and set out layered conditions governing its classification (with the status partially dependent on the type of activity conducted by the entity). Given that HashKey MENA FZE is registered and set-up in a UAE free zone it should assess whether or not it qualifies for QFZP status. The applicability of QFZP status is limited, conditional, and should not be assumed.

It should also be noted that QFZP status is not available for entities that are subject to the Top-Up-Tax (effective January 1, 2025).

### *Taxable Income*

Taxable resident juridical persons are subject to corporate tax on their worldwide income. The tax base for non-resident persons differs, but this is not relevant to HashKey MENA FZE.

Corporate tax is payable on taxable income, which is the accounting net profit reported in the financial statements of the business with certain adjustments made per the provisions of the Federal CT Law and related Cabinet and/or Ministerial Decisions.

### *Exemptions, Reliefs, and Credits*

The corporate tax regime in the UAE contains some targeted and limited exemptions, reliefs, and credits. These are outlined in the Federal CT Law, and related Cabinet Decisions and Ministerial Decisions.

### *Withholding Tax*

Under the Federal CT Law, withholding tax applies to certain categories of UAE-sourced income paid to non-residents that is not attributable to a permanent establishment of the non-resident in the UAE. However, the categories of UAE-sourced income that are subject to withholding tax are to be determined in a separate Cabinet Decision, and this is yet to be issued. Additionally, the applicable withholding tax rate is currently set at 0%. The rate is subject to change in future by way of a Cabinet Decision.

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## REGULATORY OVERVIEW

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### *Transfer Pricing*

Under the Federal CT Law, transactions carried out between related parties should be priced in line with the arm's length principle ("ALP"). The ALP is met where the transaction or agreement is consistent with the results that would have been realized where unrelated parties had engaged in a similar transaction or agreement under similar circumstances.

The ALP should be supported by a functional, assets and risk analysis which is intended to be aligned with the OECD Transfer Pricing Guidelines as clarified by the Explanatory Guide issued by the Ministry of Finance and the Transfer Pricing Guide issued by the Federal Tax Authority (the "FTA"). Taxpayers whose revenues satisfy/exceed set thresholds are required to maintain certain transfer pricing documentation.

HashKey MENA FZE should consult with their tax advisors on the applicability of corporate tax, given that it is a direct tax on the profits of HashKey MENA FZE.

### *General Remarks*

The Federal CT Law is untested, and guidance continues to be issued by the Ministry of Finance and the FTA. Consequently, there may be uncertainty over the applicability of certain aspects of the Federal CT Law to HashKey MENA FZE. Professional tax advice should be sought to properly assess the UAE corporate tax implications for HashKey MENA FZE.

### **UAE VAT**

The UAE implemented VAT on January 1, 2018. Unless the supply is specifically zero rated or exempt, VAT at the rate of 5% (five percent) is imposed on (i) the supply of goods and services made in the UAE by VAT registered businesses (or businesses that are required to be registered for VAT); and (ii) all taxable imports.

For persons with a place of residence in the UAE for VAT purposes (such as HashKey MENA FZE), VAT registration is required if and when the value of their taxable supplies and imports exceeds a specified mandatory registration threshold. An option to register for VAT is available if the value of taxable supplies and imports is below the mandatory registration threshold but exceeds a lower voluntary registration threshold (with voluntary registration also being permissible on the basis of taxable expenses that exceed such lower threshold).

Separate rules govern specific circumstances where a person without a place of residence in the UAE may be required to register for VAT.

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## **REGULATORY OVERVIEW**

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Subject to the satisfaction of conditions, VAT-registered persons are entitled to recover VAT expenses incurred on purchases that are related to business activities and are made during the course of (i.e., for the purposes of) making their supplies that are standard rated or zero-rated. However, VAT expenses incurred on purchases made in connection with making supplies that are exempt from VAT are not recoverable.

It should be noted that among other specified categories of exempt supplies, the supply of certain types of financial services can be exempt. However, for most (but not all) types of defined financial services that can be exempt, the exemption only applies if the consideration paid in exchange for the financial service is not an explicit fee, discount, commission, rebate or similar type of charge.

Professional tax advice should be sought on the applicability of any exemption to the supply of any financial service, and on the VAT treatment of the supplies made and received by HashKey MENA FZE (including the applicability of any zero-ratings or exemptions).

### **OVERVIEW OF THE LAWS AND REGULATIONS RELATING TO OUR BUSINESS AND OPERATIONS IN JAPAN**

#### **Payment Services Act**

The cryptocurrency exchange service business conducted by Tokyo Hash Co., Ltd is subject to the Payment Services Act (Act No. 59 of 2009, as amended). An operator who provides cryptocurrency exchange business is required to be registered with the Japanese Financial Services Agency (the “FSA”) as a cryptocurrency exchange service provider. The Commissioner of the FSA is authorized to issue a business improvement order or business suspension order, or to cancel an operator’s registration, if the operator fails to comply with the relevant regulations.

#### **The Act on Prevention of Transfer of Criminal Proceeds**

Under the Act on Prevention of Transfer of Criminal Proceeds (Act No. 22 of 2007, as amended), financial institutions and other entities such as cryptocurrency exchange service providers are required to perform customer identification procedure and keep records of customer identifications and transactions with customers as prescribed by a ministerial ordinance. This Act also requires to report to a competent authority if they suspect that any property accepted from a customer has been obtained illegally or the customer conducts certain criminal acts.

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## REGULATORY OVERVIEW

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### OVERVIEW OF THE LAWS AND REGULATIONS RELATING TO OUR BUSINESS AND OPERATIONS IN IRELAND

As we provide limited crypto asset services through our subsidiary in Ireland, HashKey Europe Limited, our business operations are subject to a wide range of laws and regulations in Ireland, including the Irish Companies Act 2014 (as amended) (the “**Irish Companies Act**”). A brief summary of the Irish Companies Act together with the most relevant laws and regulations which relate to the regulated aspects of the business and operations of HashKey Europe Limited in Ireland are as follows:

#### **Irish Companies Act**

The Irish Companies Act generally governs, among other things, matters relating to the registration, incorporation, power and capacity of a company, shares and share capital of a company (which includes issuances of new shares (including preference shares), treasury shares, share buybacks, redemptions, share capital reductions, declaration of dividends, distributions, rules on capital maintenance, financial assistance), the requirement to maintain statutory registers, directors, officers, shareholders and management of a company (including meetings and proceedings of directors and shareholders, dealings between such persons and the company), protection of minority shareholders’ rights, accounting and audit requirements, auditors, arrangements, liquidation and wind up, reconstructions and amalgamations.

#### **Irish Virtual Asset Service Provider Regime**

The European Union’s Fifth Anti-Money Laundering Directive (“**5AMLD**”) extended Anti-Money Laundering (“**AML**”) and Countering the Financing of Terrorism (“**CFT**”) obligations to entities that provide certain services relating to virtual assets. Ireland transposed 5AMLD into Irish law by way of the Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Act 2021 which amended the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 (“**CJA 2010**”) such that virtual asset service providers (“**VASPs**”), which includes HashKey Europe Limited, were included within the definition as a ‘designated person’ under the CJA 2010.

The VASP regime has been replaced by the crypto asset service provider (“**CASP**”) regime, as set out below. Regulation 15 of the European Union (Information Accompanying Transfers of Funds) Regulations 2025 amended the CJA 2010, effective 1 August 2025, by removing references to VASPs and inserting references to CASPs. Regulation 16 of the European Union (Information Accompanying Transfers of Funds) Regulations 2025 however provides that notwithstanding the amendment of the CJA 2010, sections of the CJA 2010 shall continue to apply to a person who immediately before 30 December 2024 was registered as a virtual asset service provider, which would include HashKey Europe Limited, as if those provisions had not been so amended until the earlier of the following occurs: the VASP is granted or refused a CASP or the transitional period (see below) expires.

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## REGULATORY OVERVIEW

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While HashKey Europe Limited has been registered as a VASP, it is still in the process of applying for authorisation as a CASP and is currently availing of transitional authorisation under the CASP regime.

Noting the changes recently made to the CJA 2010 set out above, a VASP was defined as meaning any person who provided any of the following services relating to virtual assets:

- (a) exchange between virtual assets and fiat currencies;
- (b) exchange between one or more forms of virtual assets;
- (c) transfer of virtual assets, that is to say, to conduct a transaction on behalf of another person that moves a virtual asset from one virtual asset address or account to another;
- (d) custodian wallet provider; and
- (e) participation in, and provision of, financial services related to an issuer's offer or sale of a virtual asset or both,

(together the “**VASP Activities**”).

HashKey Europe Limited is registered as a VASP with the Central Bank of Ireland (the “**CBI**”).

VASPs were designated persons under the CJA 2010 and were required to register with the CBI for AML and CFT purposes. In addition, VASPs were obliged to comply with on-going AML and CFT requirements under Part 4 of the CJA 2010.

### **Evolving regulatory environment**

The Markets in Crypto Assets Regulation (“**MiCAR**”) became applicable for CASPs from 30 December 2024. After this date, any firms seeking to establish themselves in Ireland to offer any CASP services firstly need to be authorised by the CBI. A CASP authorisation assessment is significantly broader and more substantial than a VASP registration. MiCAR establishes a more comprehensive financial services regulatory framework than the previous VASP regime. Therefore, while there are similarities between virtual asset services and crypto asset services, where an entity is providing virtual or crypto asset services from 30 December 2024, they require authorisation as a CASP, rather than as a VASP. HashKey Europe Limited is in the process of applying for authorisation as a CASP.

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## REGULATORY OVERVIEW

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Under MiCAR, firms registered and operating under the VASP regime prior to 30 December 2024 are permitted, post 30 December 2024, to avail of a transitional period enabling them to continue to operate for up to 12 months or until their CASP authorisation is granted or refused, whichever is sooner. HashKey Europe Limited is availing of this transitional period but will be required to cease its limited crypto asset services unless it receives authorisation as a CASP by 30 December 2025.

### **Irish Crypto Asset Service Provider Regime**

MiCAR brings crypto assets under a pan-EU regulatory framework that seeks to ensure increased transparency, investor protection and financial stability. It prescribes uniform requirements for the offering and admitting to trading of crypto-assets and for CASPs. These rules include transparency and disclosure requirements, authorisation and supervision requirements, requirements for the protection of holders of crypto-assets and the clients of CASPs, and measures to prevent market abuse such as insider dealing or market manipulation.

As noted above, HashKey Europe Limited is in the process of applying for authorisation as a CASP.

Under MiCAR, CASPs require authorisation from a competent authority before providing crypto asset services in the EU. In Ireland, this means that those wishing to provide crypto-asset services are required to apply to the CBI for authorisation as a CASP.

### **Scope of Regime**

MiCA applies to crypto-assets which are defined as “*a digital representation of a value or of a right that is able to be transferred and stored electronically using distributed ledger technology or similar technology*” MiCA further defines a distributed ledger as “*an information repository that keeps records of transactions and that is shared across, and synchronised between, a set of DLT network nodes using a consensus mechanism*”.

MiCA sets out three types of crypto-asset:

- (a) electronic money tokens (“**EMTs**”), which usually link to a single fiat currency (such as the Euro or US Dollar);
- (b) asset-referenced tokens (“**ARTs**”), which are a type of crypto-asset that is not an EMT and that purports to maintain a stable value by referencing another value, including one or more official currencies; and
- (c) crypto-assets other than EMTs or ARTs, such as utility tokens. Usually these are used to provide access to goods or services supplied by the issuer of the utility tokens.

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## REGULATORY OVERVIEW

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EMTs and ARTs are sometimes together known as stablecoins. MiCA sets out specific requirements in respect of EMTs and ARTs, as they may have an impact on financial stability.

MiCA does not apply to crypto-assets that “are unique and not fungible with other crypto-assets”, i.e. non-fungible tokens (NFTs) or to crypto-assets that also qualify as one or more of:

- (a) financial instruments as defined in MiFID II;
- (b) deposits, including structured deposits, as defined in the Deposit Guarantee Scheme Directive;
- (c) funds, except if they qualify as e-money tokens, as defined in the Payment Services Directive (PSD2);
- (d) securitisation positions;
- (e) non-life or life insurance products or reinsurance and retrocession contracts; or
- (f) certain pension products, social security schemes and officially recognised occupational pension schemes.

A crypto-asset service means any one of a list of services and activities relating to crypto-assets:

- (a) providing custody and administration of crypto-assets on behalf of clients;
- (b) operation of a trading platform for crypto-assets;
- (c) exchange of crypto-assets for funds;
- (d) exchange of crypto-assets for other crypto-assets;
- (e) execution of orders for crypto-assets on behalf of clients;
- (f) placing of crypto-assets;
- (g) reception and transmission of orders for crypto-assets on behalf of clients;
- (h) providing advice on crypto-assets;
- (i) providing portfolio management on crypto-assets;
- (j) providing transfer services for crypto-assets on behalf of clients.

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## REGULATORY OVERVIEW

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### Authorisation Process

HashKey Europe Limited is in the process of applying for authorisation as a CASP, and to the best of our knowledge, there is no material legal impediment for HashKey Europe Limited to complete such application, based on our consultation with our local counsel. The CBI has warned that, as the CASP regime is much broader than the VASP regime, holding a VASP registration should not be seen as instructive on the potential success of a CASP application. There is not a simplified authorisation procedure for VASPs seeking to become a CASP in Ireland. HashKey Europe Limited will be required to cease its limited crypto asset services unless it receives authorisation as a CASP by 30 December 2025.

### Anti-Money Laundering Law

The primary piece of legislation in Ireland on AML and CFT is the CJA 2010. Part 4 of the CJA 2010 imposes AML obligations (including customer due diligence and transaction monitoring) on 'designated persons'. A designated person is defined in section 25(1) of the CJA 2010 as any person, acting in Ireland in the course of business carried on by the person in Ireland, who or that is inter alia, a financial institution, which includes a CASP.

VASPs were designated persons under the CJA 2010 and were obliged to comply with AML and CFT requirements under Part 4 of the CJA 2010. CASPs are also obliged to comply with AML and CFT requirements under Part 4 of the CJA 2010. HashKey Europe Limited must therefore comply with all applicable Irish AML and CFT legislation in Ireland.

In terms of on-going AML and CFT requirements under Part 4 of the CJA 2010, these requirements include:

- (a) carrying out a money laundering and terrorist financing risk assessment of the company's business;
- (b) undertaking customer due diligence of the company's customers;
- (c) carrying out ongoing monitoring of customers and customer transactions;
- (d) filing suspicious transaction reports with Financial Intelligence Unit (FIU) Ireland and the Revenue Commissioner in instances where money laundering or terrorist financing is known or suspected;
- (e) maintaining and implementing AML and CFT policies, procedures and controls;
- (f) retaining appropriate records; and
- (g) providing AML and CFT training to all staff on an ongoing basis.

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## REGULATORY OVERVIEW

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Sections 33 to 39 of the CJA 2010 set out the customer due diligence measures, which a designated person must apply in order to comply with its obligations in respect of identifying and verifying customers, persons purporting to act on behalf of customers and beneficial owners of customers. As per section 33(1) of the CJA 2010, an entity carrying on an activity that renders it a designated person will be required to identify and verify its customers and where applicable, beneficial owners, amongst other times:

- (a) prior to establishing a business relationship with a customer;
- (b) prior to carrying out an occasional transaction or service for a customer; and
- (c) at any time where the risk of money laundering or terrorist financing warrants their application.

The above is not an exhaustive list. The level of customer due diligence measures, which an entity which is acting as a designated person will be required to apply under the CJA 2010, depends upon the nature of the relationship between it and its customer, the type of business conducted and the perceived money laundering/terrorist financing risks arising.

### **Offences for failure to comply with AML obligations**

It is a criminal offence not to comply with the obligations set out under Part 4 of the CJA 2010 and a failure to do so may result in a fine, imprisonment or both. In addition, a breach of Part 4 of the CJA 2010 may result in enforcement action under the CBI's Administrative Sanctions Procedure.

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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### OVERVIEW

Our business was founded by Dr. Xiao in 2018. Dr. Xiao is a pioneering investor who has been at the forefront of the digital asset movement since its earliest days. Guided by his vision and leadership, we have assembled a world-class leadership team with deep expertise across traditional finance, blockchain technology, product design, compliance & risk and many other areas and have grown into a comprehensive digital asset company in Asia with a global footprint, providing end-to-end financial infrastructure, technology and investment management to create a digital assets ecosystem. We are the largest regional onshore platform in Asia by trading volume in 2024, according to Frost & Sullivan.

Dr. Xiao is an executive Director, the chairman of the Board and our Chief Executive Officer. For the biography and industry experience of Dr. Xiao, see “Directors and Senior Management — Board of Directors — Executive Director”.

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on January 2, 2019 as the holding company of our Group.

### MILESTONES

The following is a summary of our key business development milestones since the commencement of our business:

<u>Year</u>	<u>Event</u>
2018 . . .	We commenced our operations in Hong Kong.
2019 . . .	We launched HashKey OTC to provide compliant over-the-counter trading services for institutional clients.
2019 . . .	HashKey Cloud began to offer secure infrastructure and node management services.
2020 . . .	HashKey Capital Limited received Type 9 license from Hong Kong’s SFC, authorizing it to manage assets involving virtual assets.
2021 . . .	Tokyo Hash Co., Ltd obtained approval from Japan’s Financial Services Agency, enabling it to legally offer crypto asset exchange services.

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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Year	Event
2022 . . .	HashKey Exchange received Type 1 & 7 licenses from the SFC, authorizing it to conduct securities dealing and operate an automated trading platform.
2023 . . .	HashKey Capital Singapore Pte. Ltd. acquired CMS license from the Monetary Authority of Singapore to carry on fund management services.
2023 . . .	We became the first virtual asset trading platform approved to serve both professional and retail investors, marking a regulatory milestone in Hong Kong's virtual asset market. We also launched HashKey Tokenisation to drive on-chain issuance of real-world assets.
2024 . . .	HashKey Bermuda Limited became licensed by the Bermuda Monetary Authority as a Digital Asset Business, supporting spot trading, futures, launchpool.
2024 . . .	HashKey Chain, a regulatory-friendly Ethereum Layer 2 network to onboard financial institutions to Web3, was launched.
2024 . . .	HSK, our gas token on HashKey Chain, was launched to enhance trading utility and community engagement.
2024 . . .	HashKey Technology Services Pte. Ltd. acquired a major payment institution license from the Monetary Authority of Singapore to carry on a business in digital payment token services.
2025 . . .	HashKey MENA FZE received a Virtual Asset Service Provider (VASP) license from Dubai Virtual Assets Regulatory Authority, marking the official launch of our operations in the UAE.

## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

### OUR MAJOR SUBSIDIARIES

We set forth below the principal business activities and the dates of incorporation of our major subsidiaries which made a material contribution to the operating results of our Group during the Track Record Period:

Name of Subsidiary	Date of Establishment and Commencement of Business	Place of establishment	Equity Interest Attributable to our Group	Principal Activities
HashKey Digital Asset Group Limited . . . . .	March 20, 2018	Hong Kong	100%	Investment holding
Hash Blockchain Limited . . . . .	March 21, 2018	Hong Kong	100%	Provision of digital assets trading platform
Wancloud Limited . . . . .	April 30, 2018	Hong Kong	78.3% <sup>(1)</sup>	Provision of enterprise-level technology services and solutions and staking services related to digital assets
HashKey FinTech Investment . . . . .	June 13, 2019	Cayman Islands	100%	Provision of asset management services
HBS (Hong Kong) Limited . . . . .	September 27, 2019	Hong Kong	100%	Provision of tokenisation advisory services
HashKey Technology Services Pte. Ltd. . . . .	October 25, 2019	Singapore	100%	Provision of financial service activities and to perform transaction and payment processing services
HashKey Bermuda Limited . . . . .	October 10, 2023	Bermuda	100%	Provision of digital assets exchange platform

## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Name of Subsidiary	Date of Establishment and Commencement of Business	Place of establishment	Equity Interest Attributable to our Group	Principal Activities
HashKey MENA FZE . . . . .	August 15, 2024 <sup>(2)</sup>	UAE	100%	Provision of digital assets exchange platform

*Notes:*

- (1) See “— Corporate Structure Immediately Before Completion of the Global Offering” in this section below for details of the holders of the minority equity interests in our subsidiaries.
- (2) The date of commencement of business of HashKey MENA FZE is April 14, 2025.

For shareholding changes of our subsidiaries during the two years immediately preceding the date of this Prospectus, see “Statutory and General Information — A. Further Information about Our Group — 3. Changes in the Share Capital of Our Subsidiaries”. Save as disclosed above, there were no shareholding changes in our subsidiaries during the Track Record Period and up to the Latest Practicable Date.

### MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

On January 2, 2019, our Company was established as an exempted company with limited liability in the Cayman Islands as the holding company of our Group. The initial authorized share capital of our Company was US\$50,000 divided into 500,000,000 ordinary shares with a par value of US\$0.0001 each.

Pursuant to the resolutions of the shareholders of the Company dated August 17, 2023, our Company undertook a 1:10 share subdivision (“**Share Subdivision**”) so that the authorized share capital of the Company immediately after the Share Subdivision became US\$50,000 divided into 5,000,000,000 Ordinary Shares with a par value of US\$0.00001 each.

Pursuant to the resolutions of the shareholders of the Company dated September 26, 2023, the authorized share capital of the Company was further amended to US\$50,000, divided into: (a) 4,691,405,647 Ordinary Shares of a par value of US\$0.00001 each, and (b) 308,594,353 Series A Preferred Shares of a par value of US\$0.00001 each, by reclassifying and re-designating 308,594,353 of the then unissued Ordinary Shares into an equal number of Series A Preferred Shares.

The major shareholding changes of our Company since its incorporation relate to the Pre-IPO Investments, which took place from 2023 to 2025 and led to the issuance of an aggregate of 596,034,582 Series A Preferred Shares. Please refer to “— Pre-IPO Investments” below for further information of shareholding changes in connection with completion of the relevant Pre-IPO Investments

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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### OUR PRE-IPO EQUITY INCENTIVE PLAN

In order to attract the best talent and reward our exceptional management and staff members, our initial two shareholders, Mr. Lu and Dr. Xiao, proposed as early as in 2019 to contribute a substantial portion of their equity stake in the Company to establish an employee share incentive plan. On August 27, 2019, the Pre-IPO Equity Incentive Plan was formally adopted by our Company, reserving ordinary shares representing approximately 24.1% of our Company's total share capital then (on a fully-diluted basis) for grants to eligible employees under the plan. On August 17, 2023, the reserved pool was further increased to 578,571,420 Ordinary Shares (after the Share Subdivision), representing 30.0% of our Company's total issued shares then (on a fully-diluted basis).

We have granted options under the Pre-IPO Equity Incentive Plan representing rights to subscribe for a total of 578,571,420 Ordinary Shares (“ESOP Shares”) as of the Latest Practicable Date. All the options were granted to specified grantees.

See “Statutory and General Information — D. Pre-IPO Equity Incentive Plan” in Appendix IV to this Prospectus for details of the Pre-IPO Equity Incentive Plan and the related grants.

### MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any major acquisitions, disposals or mergers that we consider to be material to us.

### PRE-IPO INVESTMENTS

#### Principal terms of the Pre-IPO Investments

Between September and December 2021, we conducted the following rounds of pre-IPO financing, pursuant to which certain Pre-IPO Investors invested in our business.

Round	Date of initial investment agreement	Date of last payment of consideration	Total number of Series A Preferred Shares issued	Pre-money valuation (US\$)	Post-money valuation (US\$)	Amount raised (US\$)	Cost per share (US\$)	Discount to the Offer Price <sup>(1)</sup>
Convertible Notes <sup>(2)</sup>	September 22, 2022	March 14, 2023	88,294,959	1.25 billion <sup>(4)</sup>	1.65 billion <sup>(4)</sup>	42.00 million	0.4537-0.5509	33.50%-45.23%
Series A	September 26, 2023	August 29, 2025	507,739,623	1.25 billion <sup>(4)</sup>	1.65 billion <sup>(4)</sup>	343.74 million	0.6770 <sup>(3)</sup>	18.27%

Notes:

(1) Based on the mid-point of the Offer Price range.

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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- (2) All of the Convertible Notes were converted to Series A Preferred Shares on December 29, 2023.
- (3) The amount is calculated as the weighted average of the actual subscription price paid by the Pre-IPO Investors for our Series A Preferred Shares. The initially agreed subscription price for the Series A round was US\$0.6481 per share. As some of the Pre-IPO Investors participated later in time, they agreed to a higher subscription price (up to \$0.7778 per share) to reflect the difference in the timing of investment.
- (4) The terms of the Convertible Notes and the Series A round financing were based on the same valuations of the Company as the Convertible Notes were convertible into Series A Preferred Shares and were converted into Series A Preferred Shares around the same time as the Series A round financing.

Basis of determination of the valuation and consideration . . . . .	The consideration for each of the Pre-IPO Investments was determined based on arm's length negotiations between the Company and the Pre-IPO Investors after taking into consideration the timing of the investments and funding, our Company's business strategy, technical capabilities and licensing status, the market and industry conditions at the time of the investment and the prospects of our industry.
Lock-up Period . . . . .	The terms of the agreement under the Pre-IPO Investments did not impose any lock up obligations over the Shares held by any of the Pre-IPO Investors upon Listing.
Use of proceeds from the Pre-IPO Investments . . . . .	We used a portion of the proceeds from the Pre-IPO Investments for technology development, business expansion and general working capital needs of our Company. As of the Latest Practicable Date, approximately 50% of the funds raised from the Pre-IPO Investments have been utilized.
Strategic benefits to our Company brought by the Pre-IPO Investors. . . . .	At the time of the relevant Pre-IPO Investments, our Directors were of the view that our Group could benefit from the additional funds provided by the Pre-IPO Investments in our Group and the knowledge and experience of the Pre-IPO Investors in the industry. The Pre-IPO Investments demonstrated the Pre-IPO Investors' confidence in the operation and development of our Group.

### **Special rights of the Pre-IPO Investors**

All of our Pre-IPO Investors are currently bound by the terms of the currently effective articles of association of the Company, which will be replaced by our Articles effective upon the completion of the Global Offering. Pursuant to the currently effective articles of association of the Company and the Pre-IPO Investment agreements, including the shareholders agreement

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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dated September 26, 2023 between, among others, the Pre-IPO Investors and our Company, the Pre-IPO Investors were granted certain special rights in relation to the Company, which would automatically terminate on, inter alia, the occurrence of the Listing.

The divestment rights granted to the Pre-IPO Investors under the currently effective articles of association of the Company and the Pre-IPO Investment agreements have been suspended immediately prior to the first submission of the listing application form to the Stock Exchange for the purpose of the Global Offering, and will only be exercisable if the Listing does not take place, otherwise such divestment rights will terminate upon the Listing.

All other special rights under the Pre-IPO Investments that shall cease to be effective and be discontinued upon the Listing in accordance with the Pre-IPO Investment Guidance (as defined and set out in Chapter 4.2 of the Guide For New Listing Applicants issued by the Stock Exchange), including customary rights of first refusal, co-sale rights, pre-emptive right, right to appoint observers and information rights, shall cease to be effective and be discontinued upon the Listing in accordance with the terms of the relevant agreements. The Pre-IPO Investors do not have any special right that is exercisable in connection with the Global Offering prior to its termination.

### **The Convertible Notes**

Between September 22 and December 29, 2022, the Company issued Convertible Notes to Atlascap Metaverse Limited, Ching Hiu Yuen, HashKey Fintech III, Summer Eternity Holdings Limited, SNZ Holding Limited, TDR Investment Inc, SmartDot Limited, GDZ and XChainX, with an aggregate principal amount of US\$42.00 million (the “**Convertible Notes**”).

On December 29, 2023, all of the Convertible Notes holders exercised their conversion rights at conversion prices of US\$0.4537-0.5509 per share and were issued 88,294,959 Series A Preferred Shares in total. (as described in the table under the heading “— Pre-IPO Investments — Principal terms of the Pre-IPO Investments” above).

### **Joint Sponsors’ Confirmation**

On the basis that (i) the consideration for the Pre-IPO Investments was irrevocably settled more than 28 clear days before the date of our first submission of the listing application to the Stock Exchange; (ii) the divestment rights granted to the Pre-IPO Investors under the Shareholders Agreement have been suspended immediately prior to the first submission of the listing application form to the Stock Exchange for the purpose of the Global Offering, and will only be exercisable if the Listing does not take place, otherwise such divestment rights will terminate upon the Listing; and (iii) all other special rights granted to the Pre-IPO Investors shall cease to be effective and be terminated before the Listing, the Joint Sponsors confirm that the Pre-IPO Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

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### Information about our Pre-IPO Investors

Set forth below are details for each of our Pre-IPO Investors. To the best knowledge of our Company and save as disclosed below, all of our Pre-IPO Investors are Independent Third Parties.

#### *Open Horizon Holdings Limited*

Open Horizon Holdings Limited is an investment holding vehicle incorporated under the laws of the British Virgin Islands on March 23, 2022. Open Horizon Holdings Limited is wholly-owned by Gaorong Partners Fund VI, L.P. (“**Gaorong VI**”) and Gaorong Partners Fund VI-A, L.P. (“**Gaorong VI-A**”), to 90% and 10%, respectively.

Both Gaorong VI and Gaorong VI-A are exempted limited partnerships incorporated in the Cayman Islands. The general partner of both Gaorong VI and Gaorong VI-A is Gaorong Partners VI Ltd. Gaorong Partners VI Ltd is beneficially owned and controlled by Mr. Wong Hoi Pong (王凱邦). No limited partner of Gaorong VI and Gaorong VI-A held more than 30% of the partnership interest.

Both Gaorong VI and Gaorong VI-A are funds managed by Gaorong Ventures (高榕創投). Gaorong Ventures focuses on early and growth-stage investments in the internet and new consumption, new technology and healthcare and biotech sectors.

To the best knowledge of the Directors, each of Open Horizon Holdings Limited, Gaorong VI, Gaorong VI-A, Gaorong Partners VI Ltd and Mr. Wong Hoi Pong is an Independent Third Party.

#### *Fidelity China Special Situations PLC and Fidelity Funds*

Fidelity China Special Situations PLC is a closed-ended investment company incorporated in England and Wales and listed on the London Stock Exchange (ticker: FCSS). Fidelity Funds is an open-ended investment company established in Luxembourg as a SICAV (société d’investissement à capital variable) which is a publicly offered collective investment scheme. Fidelity China Special Situations PLC and Fidelity Funds are advised or sub-advised by FIL Investment Management (Hong Kong) Limited, which is ultimately controlled by FIL Limited. FIL Investment Management (Hong Kong) Limited and its related group of companies are collectively known as Fidelity International, a global asset manager; FIL Limited is the holding company of Fidelity International. FIL Limited is controlled by Pandanus Partners L.P., whose general partner is Pandanus Associates Inc. There is no single ultimate beneficial owner of Pandanus Associates Inc. None of the limited partners of Pandanus Partners L.P. holds 30% or more partnership interests.

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Fidelity China Special Situations PLC invests primarily in securities issued by companies listed in China and Chinese companies listed elsewhere with the investment objective of long-term capital growth. Fidelity Funds invests in securities in different geographical areas and currencies, with the investment objective of capital growth and/or income.

To the best knowledge of the Directors, each of FIL Investment Management (Hong Kong) Limited, FIL Limited, Pandanus Partners L.P. and Pandanus Associates Inc. is an Independent Third Party.

### *Prestige Wealth Group Limited*

Prestige Wealth Group Limited is an exempted limited liability company incorporated under the laws of Hong Kong. It is directly and equally owned by three ultimate beneficial owners: Qiu Zhi, Liu Zhen, and Tam Man Yee, with each holding one-third of the issued shares.

Through its licensed subsidiaries, Prestige Wealth Group Limited offers a suite of financial services including wealth preservation and asset management solutions to its clients.

To the best knowledge of the Directors, each of the shareholders and the ultimate beneficial owners is independent from the Group and the connected persons of the Group.

### *Black Shadows, L.P.*

Black Shadows, L.P. is an exempted limited partnership established under the laws of Cayman Islands. Its general partner is CDH China HF Holdings Company Limited (“CDH China HF”), a limited liability company incorporated under the laws of Cayman Islands, which is wholly-owned by CDH Wealth Management Company Limited (“**CDH Wealth Management**”). CDH Wealth Management is owned as to 75% by CDH Investment Management Company Limited (“**CDH Investment Management**”) and as to 25% by Advance Faith Investing Limited, a company wholly-owned by Mr. Ying Wei (應偉). The ultimate beneficial owner of CDH Investment Management is Mr. Wu Shangzhi (吳尚志), the chairman of CDH Investments (鼎暉投資). Partnership interests in Black Shadows, L.P. is held by CDH Emerging Markets Fund II, L.P. (“**CDH Emerging Markets Fund II**”) as to 43.50%; none of its other limited partners holds 30% or more partnership interests. CDH Emerging Markets Fund II is also an exempted limited partnership established under the laws of Cayman Islands and none of its limited partners holds 30% or more partnership interests. Each of Black Shadows, CDH China HF, CDH Wealth Management and CDH Investment Management is a member of the CDH Investments, which was established in 2002 with over US\$20 billion of assets under management, and invests across the alternative asset classes in private equity, venture & growth, private credit, public equities and real estate assets. Black Shadows is an investment fund focusing on investments in fintech and next-generation technology.

To the best knowledge of the Directors, each of Black Shadows, L.P., the abovementioned entities, Mr. Wu Shangzhi and Mr. Ying Wei is an Independent Third Party.

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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### *TDR Investment Inc*

TDR Investment Inc is a BVI Limited company incorporated in the British Virgin Islands (BVI), with its main business focusing on investment and investment consulting services. Its investment scope is primarily centered on the high-tech and new energy sectors. Mr. Wang Ruiping is the ultimate controller of the company and holds 100% of its equity.

To the best knowledge of the Directors, each of TDR Investment Inc. and Mr. Wang Ruiping is an Independent Third Party.

### *Tomars Limited*

Established in the British Virgin Islands, Tomars Limited is a forward-thinking investment firm. It is directly owned as to 100% by Long Zhifeng. With a focus on identifying and nurturing high-potential innovative enterprises, Tomars Limited targets to strategically deploy investment into promising ventures across diverse sectors. Tomars Limited plans to leverage international market insights to support cutting-edge projects, fostering growth in emerging industries. It remains committed to delivering sustainable value through rigorous due diligence and a forward-looking investment philosophy.

To the best knowledge of the Directors, each of Tomars Limited and Long Zhifeng is an Independent Third Party.

### *CMBI Private Equity Series SPC on behalf of and for the account of Links Opportunity Fund SP*

CMBI Private Equity Series SPC on behalf of and for the account of Links Opportunity Fund SP is a segregated portfolio under CMBI Private Equity Series SPC that invests in private equity portfolios.

CMBI Private Equity Series SPC is an exempted company with limited liability and registered as a segregated portfolio company in the Cayman Islands. Its management share is 100% held by CMB International Private Investment Limited, a limited company incorporated under the laws of the Cayman Islands, which is wholly-owned by CMB International Investment Management Limited, a limited company established in the British Virgin Islands. CMB International Investment Management Limited is wholly-owned by CMB International Capital Corporation Limited, and the latter is an indirect wholly-owned subsidiary of China Merchants Bank Co., Limited, a company listed on the Stock Exchange (stock code: 3968). In respect of Links Opportunity Fund SP, other than GDZ International Limited which is wholly-owned by Mr. Lu, there is no shareholder with 30% or more shareholding therein.

To the best knowledge of the Directors, each of CMBI Private Equity Series SPC on behalf of and for the account of Links Opportunity Fund SP and China Merchants Bank Co., Limited is an Independent Third Party.

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### *People's Capital Digital I L.P.*

People's Capital Digital I L.P. is a limited partnership registered under the laws of the British Virgin Islands. Its general partner is People's Capital GP Limited, a limited liability company incorporated under the laws of the British Virgin Islands, which is wholly-owned by Bin Cui. Partnership interests in People's Capital Digital I L.P. are held by Anhui Bocheng Healthcare Management OC LLC as to 100%, which is ultimately owned by Zhao Guiling (趙桂玲) and Liu Baoxia (劉保霞) as to 70% and 30%, respectively; none of its other limited partners holds 30% or more partnership interests. People's Capital Digital I L.P. is an investment fund focusing on investments in Digital Asset Financial Services.

To the best knowledge of the Directors, each of People's Capital Digital I L.P., Bin Cui, Anhui Bocheng Healthcare Management OC LLC, Zhao Guiling and Liu Baoxia is an Independent Third Party.

### *JF SmartTrade (BVI) Limited*

JF SmartTrade (BVI) Limited is an exempted limited liability company incorporated under the laws of the British Virgin Islands. It is indirectly owned as to 62.7% by Chen Wenbin (陳文彬), Yan Ming (嚴明) and Chen Ningfeng. It is wholly-owned subsidiary of JF SmartInvest Holdings Ltd (九方智投控股有限公司), a company listed on The Stock Exchange of Hong Kong Limited (stock code: 9636). JF SmartInvest Holdings Ltd is, in turn, owned as to 62.7% through the following investment holding vehicles: COREWORTH INVESTMENTS LIMITED (21.35%) and Embrace Investments Limited (8.67%), both wholly owned by CHEN Wenbin (陳文彬); HARMONY CREEK INVESTMENTS LIMITED (16.67%), wholly owned by YAN Ming (嚴明); and RICH HORIZON INVESTMENTS LIMITED (16.01%), wholly owned by Chen Ningfeng. JF SmartTrade (BVI) Limited principally engages in investment holding business.

To the best knowledge of the Directors, each of JF SmartTrade (BVI) Limited and Chen Wenbin (陳文彬), Yan Ming (嚴明) and Chen Ningfeng is an Independent Third Party.

### *Summer Eternity Holdings Limited*

Summer Eternity Holdings Limited is an exempted limited company registered under the laws of the British Virgin Islands. It is owned by Summer Master Fund Limited, which is an exempted company with limited liability incorporated in the Cayman Islands and Summer Feeder Fund Limited, its sole investor, is a Cayman Islands incorporated and registered mutual fund, of which none of its investors hold 30% or more interests. Summer Master Fund Limited and Summer Feeder Fund Limited are both controlled by Summer Capital Limited, a multi-strategy investment advisory company, focusing on advising investments in the healthcare, fintech and technology-driven consumption sectors. Summer Capital Limited is ultimately controlled by Ms. Zhang Birong.

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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To the best knowledge of the Directors, each of Summer Eternity Holdings Limited, Summer Master Fund Limited, Summer Feeder Fund Limited, Summer Capital Limited and Ms. Zhang Birong is an Independent Third Party.

### ***BLACKLAKE INVESTMENT MANAGEMENT LTD***

BLACKLAKE INVESTMENT MANAGEMENT LTD is an exempted limited liability company incorporated under the laws of Seychelles. It is directly owned as to 100% by Mr. Cai Feng.

To the best knowledge of the Directors, each of BLACKLAKE INVESTMENT MANAGEMENT LTD and Mr. Cai Feng is an Independent Third Party.

### ***Epoch Vantage Limited***

Epoch Vantage Limited is an exempted limited liability company incorporated under the laws of the Cayman Islands. It is directly owned as to 100% by ARKK Investment Limited, which is ultimately owned as to 55% by Jin Meng (靳夢) and 45% by ZHONG Zhi (鍾志). Epoch Vantage Limited principally engages in equity investment.

To the best knowledge of the Directors, each of Epoch Vantage Limited, ARKK Investment Limited, and the ultimate beneficial owners is an Independent Third Party.

### ***SmartDot Limited***

SmartDot Limited (“**SmartDot**”) is an exempted limited liability company incorporated under the laws of Hong Kong. It is directly owned as to 100% by YeePay Inc., a Cayman established company. SmartDot’s ultimate beneficial owner is Bin Tang, who holds the equity right through a trust structure on top of YeePay Inc., and YeePay Inc. directly hold shares of SmartDot. SmartDot principally engages in business as a Service Provider of KYC and Fraud Prevention Solutions.

To the best knowledge of the Directors, each of SmartDot and Bin Tang is an Independent Third Party.

### ***Shining Light Grace Limited***

Shining Light Grace Limited is a limited liability company incorporated under the laws of British Virgin Islands. It is directly owned as to 100% by Chen Ting. Shining Light Grace Limited principally engages in investment management.

To the best knowledge of the Directors, each of Shining Light Grace Limited and Chen Ting is an Independent Third Party.

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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### *People's Capital Digital II L.P.*

People's Capital Digital II L.P. is a limited partnership registered under the laws of the British Virgin Islands. Its general partner is People's Capital GP Limited, a limited liability company incorporated under the laws of the British Virgin Islands, which is wholly-owned by Bin Cui. Partnership interests in People's Capital Digital II L.P. is held by Evergreen International Investment And Development Co., Limited as to 35.7%, RUIHE DATA TECHNOLOGY (HK) CO., LIMITED as to 25%, PrelPO Capital Partners Limited as to 10.7%, and Daoyoudao Ltd. as to 28.5%. Evergreen International Investment And Development Co., Limited is wholly owned by Xu Wen Jiong (徐文炯). People's Capital Digital II L.P. is an investment fund focusing on investments in Digital Asset Financial Services.

To the best knowledge of the Directors, each of People's Capital Digital II L.P., Bin Cui, Evergreen International Investment And Development Co., Limited and Xu Wen Jiong is an Independent Third Party.

### *Meitu Investment Ltd*

Meitu Investment Ltd is a British Virgin Islands business company incorporated under the laws of the British Virgin Islands. It is a wholly-owned subsidiary of Meitu, Inc., whose shares are listed on the Stock Exchange of Hong Kong Limited (stock code: 1357). It is principally engaged in the business of investment holding.

To the best knowledge of the Directors, each of the investor and the ultimate beneficial owner(s) is independent from the Group and the connected persons of the Group.

### *Haili Metal One Hongkong Co., Limited*

Haili Metal One Hongkong Co. Limited ("**Haili Metal One**") was incorporated in Hong Kong in April 2013 as a wholly-owned subsidiary of Hyunion Holding Co., Ltd., a PRC company listed on the Shenzhen Stock Exchange (stock code: 002537.SZ) in 2011. Hyunion Holding operates primarily in two business segments: intelligent manufacturing, with a focus on automotive components, and Fin-tech, which encompasses information technology and third-party payment services.

To the best knowledge of the Directors, each of Haili Metal One and Hyunion Holding Co., Ltd is an Independent Third Party.

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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### *OKG Ventures Limited*

OKG Ventures Limited is a limited liability company incorporated under the laws of the British Virgin Islands, focusing on discoveries and investments in various aspects, including basic blockchain infrastructure, Layer 2, DeFi, Web3, NFT and Metaverse. OKG Ventures Limited is a wholly-owned subsidiary of OKC Holdings Corporation, a company incorporated in the Cayman Islands. OKC Holdings Corporation is ultimately controlled by Mr. Xu Mingxing (徐明星).

To the best knowledge of the Directors, each of OKG Ventures Limited, OKC Holdings Corporation and Mr. Xu Mingxing is an Independent Third Party.

### *Gortune AlphaGo Inv. Limited*

Gortune AlphaGo Inv. Limited is a limited liability company incorporated under the laws of the British Virgin Islands (BVI). It is ultimately controlled by Gortune Investment Co., Ltd., a company principally engaged in investments in finance, consumption, new energy, and Web3. Gortune Investment Co., Ltd. is held by a total of 18 shareholders, including investment holding groups such as Infore Group Co., Ltd. (盈峰集團有限公司), Zhuhai Xianfeng Yuefu Investment Partnership (Limited Partnership) (珠海賢豐粵富投資合夥企業(有限合夥)), a limited partnership ultimately wholly owned by Infund Holding Group Co. Ltd., and none of such shareholders held 30% or more of the interests therein.

To the best knowledge of the Directors, each of Gortune AlphaGo Inv. Limited and Gortune Investment Co., Ltd. (as the ultimate parent) is an Independent Third Party.

### *Space Z PTE. LTD.*

Space Z PTE. LTD. stands as a dynamic investment holding company with deep roots in Asia's vibrant economic landscape. It is directly owned as to 100% by Long Zhifeng. Space Z PTE. LTD. has honed its expertise in backing transformative businesses that drive industry progress, channeling strategic capital into innovative ventures across technology and consumer sectors. Leveraging robust local networks and market understanding, Space Z excels at identifying opportunities that align with Asia's evolving economic trends, empowering enterprises to scale and thrive. As part of a broader investment ecosystem, it continues to bridge local insights with global best practices under the visionary leadership of its founder.

To the best knowledge of the Directors, each of Space Z PTE. LTD. and Long Zhifeng is an Independent Third Party.

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### *CMSC Partners OFC — Ignis Fund II*

CMSC Partners OFC — Ignis Fund II is an Open-ended Fund Company registered under the laws of Hong Kong. Its investment manager is CMSC Partners Limited, a limited liability company incorporated under the laws of Hong Kong. The ultimate beneficial owners of CMSC Partners Limited are Meng Xiangguang, Wu Lan and Cheng Fu, with each holding one-third of the shares. None of its other limited partners holds 30% or more partnership interests. CMSC Partners OFC — Ignis Fund II is an investment fund focusing on investments in fintech.

To the best knowledge of the Directors, each of the CMSC Partners OFC — Ignis Fund II, CMSC Partners Limited, Meng Xiangguang, Wu Lan and Cheng Fu is an Independent Third Party.

### *HUIDING TECHNOLOGY PTE. LTD.*

HUIDING TECHNOLOGY PTE. LTD. is an exempt private company limited by shares incorporated under the laws of Singapore. It is directly owned as to 100% by Ms. Guan Xin.

HUIDING TECHNOLOGY PTE. LTD. principally engages in the development of software and applications (except games and cybersecurity), and also provides information technology consultancy services (except cybersecurity).

To the best knowledge of the Directors, each of HUIDING TECHNOLOGY PTE. LTD. and Ms. Guan Xin is an Independent Third Party.

### *New Port International Capital Limited*

New Port International Capital Limited is a limited liability company incorporated under the laws of Hong Kong. It is directly owned as to 40% by Mr. Liu Chong, 30% by Mr. Xiang Jun, 20% by Mr. Chen Youzhong, and 10% by Mr. Pan Haoye. New Port International Capital Limited principally engages in primary equity investments and secondary market investments, with approximately two years of investment track record.

To the best of the Directors, each of New Port International Capital Limited, Mr. Liu Chong, Mr. Xiang Jun, Mr. Chen Youzhong and Mr. Pan Haoye is independent from the Group and the connected persons of the Group.

### *Ching Hiu Yuen*

Ching Hiu Yuen is a financial professional with over 30 years of working experience in the financial industry. Mr. Ching has worked for several international and regional financial institutions, and his current position is senior managing director, managing partner and co-head of the real estate group of a financial institution focused on alternative investment management.

To the best knowledge of the Directors, Mr. Ching is an Independent Third Party.

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### *SNZ Holding Limited*

SNZ Holding Limited is a limited liability company incorporated under the laws of BVI. It is directly owned as to 100% by Yanling Zhang. SNZ Holding Limited principally engages in blockchain technology investment business.

To the best knowledge of the Company's Directors, SNZ Holding Limited and Yanling Zhang are Independent Third Parties.

### *Atlascap Metaverse Limited*

Atlascap Metaverse Limited is an exempted limited liability company incorporated under the laws of the British Virgin Islands. It is directly owned as to 100% by Atlascap SPC, which is ultimately held by Wang Yumei. Atlascap Metaverse Limited principally engages in asset holding and investment in early and expansion stage companies in technology and consumer service.

To the best knowledge of the Directors, each of Atlascap Metaverse Limited, Atlascap SPC and Wang Yumei is an Independent Third Party.

### *EOS Network Ventures Fund I GP Ltd.*

EOS Network Ventures Fund I GP Ltd. is an exempted company incorporated with limited liability under the laws of the Cayman Islands. It is directly owned in equal shares by Mr. Yves La Rose, Mr. Dafeng Guo, and Mr. Huaqiang Wen. EOS Network Ventures Fund I GP Ltd. acts as the general partner of EOS Network Ventures Fund I LP, an exempted limited partnership registered in the Cayman Islands, and is responsible for managing and operating the fund. The fund principally engages in investment activities for the benefit of the Vaulta Public Network, focusing on supporting projects and companies that develop and expand the Antelope.io blockchain ecosystem.

To the best knowledge of the Directors, each of EOS Network Ventures Fund I GP Ltd. and its ultimate beneficial owners, Mr. Yves La Rose, Mr. Dafeng Guo, and Mr. Huaqiang Wen, is an Independent Third Party.

## **PUBLIC FLOAT AND FREE FLOAT**

Upon completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), the shares held by certain of our Shareholders who are, or are directly or indirectly controlled by, our core connected persons, will not be counted towards the public float. Details of these Shareholders and their controllers are set out below:

- (a) GDZ International Limited, which is wholly-owned by Mr. Lu, holding approximately 38.78% of the issued Shares;

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- (b) XChainX Limited, which is wholly-owned by Dr. Xiao, holding approximately 14.84% of the issued Shares;
- (c) HashKey Fintech III, the partnership interest of which is held by GDZ International Limited as to more than 30% as a limited partner, holding approximately 0.64% of the issued Shares;
- (d) Puxing Energy Limited, which is controlled by Mr. Lu as to more than 30%, holding approximately 0.02% of the issued Shares; and
- (e) ESOP Platform, where the voting rights of the ESOP Shares it holds on trust for the Pre-IPO Equity Incentive Plan are exercisable by Mr. Lu, holding approximately 20.92% of the issued Shares.

To the best knowledge of our Directors, the remaining Shareholders, including the other Pre-IPO Investors, are not core connected persons of the Company and the Shares held by them will count towards the public float.

Taking into account the Shares to be issued to other Shareholders pursuant to the Global Offering, upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), a total of 685,892,968 Shares, representing 24.80% of our total issued Shares will be counted as part of the public float, which is higher than the prescribed percentage of Shares required to be held in public hands under Rule 8.08(1) of the Listing Rules (applicable at the indicative Offer Price range).

Upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), it is expected that at least 142,426,000 Shares, representing a market capitalization of HK\$847.4 million (assuming an Offer Price of HK\$5.95 per Offer Share, being the low-end of the indicative Offer Price range set out in this Prospectus), will be held by the public and will not be subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) or will not be held by ESOP Platform. Therefore, our Company is expected to satisfy the free float requirement under Rule 8.08A of the Listing Rules.

## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

### CAPITALIZATION OF OUR COMPANY

The table below is a summary of the capitalization of our Company as of the Latest Practicable Date, immediately before the completion of the Global Offering and immediately after the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised):

Shareholder	Ordinary Shares	Series A Preferred Shares <sup>(1)</sup>	Aggregate number of shares immediately before the completion of the Global Offering	Ownership percentage immediately before the completion of the Global Offering	Aggregate number of shares immediately after the completion of the Global Offering <sup>(2)</sup>	Ownership percentage immediately after the completion of the Global Offering <sup>(2)</sup>
GDZ International Limited <sup>(4)</sup> . . . . .	945,000,000	127,203,049	1,072,203,049	42.47%	1,072,203,049	38.78%
XChainX Limited <sup>(5)</sup> . . . . .	405,000,000	5,289,839	410,289,839	16.25%	410,289,839	14.84%
Open Horizon Holdings Limited . . . . .	–	46,289,153	46,289,153	1.83%	46,289,153	1.67%
Fidelity China Special Situations PLC <sup>(6)</sup> . . . . .	–	45,000,000	45,000,000	1.78%	45,000,000	1.63%
Prestige Wealth Group Limited . . . . .	–	30,859,435	30,859,435	1.22%	30,859,435	1.12%
Black Shadows, L.P. <sup>(6)</sup> . . . . .	–	29,455,081	29,455,081	1.17%	29,455,081	1.07%
Fidelity Funds <sup>(6)</sup> . . . . .	–	28,637,703	28,637,703	1.13%	28,637,703	1.04%
TDR Investment Inc . . . . .	–	25,691,957	25,691,957	1.02%	25,691,957	0.93%
Tomars Limited . . . . .	–	23,221,725	23,221,725	0.92%	23,221,725	0.84%
CMBI Private Equity Series SPC on behalf of and for the account of Links Opportunity Fund SP . . . . .	–	23,144,577	23,144,577	0.92%	23,144,577	0.84%
People's Capital Digital I L.P. . . . .	–	22,091,311	22,091,311	0.88%	22,091,311	0.80%
JF SmartTrade (BVI) Limited . . . . .	–	22,091,311	22,091,311	0.88%	22,091,311	0.80%
HashKey Fintech III <sup>(4)</sup> . . . . .	–	17,632,797	17,632,797	0.70%	17,632,797	0.64%
Summer Eternity Holdings Limited . . . . .	–	17,632,797	17,632,797	0.70%	17,632,797	0.64%
BLACKLAKE INVESTMENT MANAGEMENT LTD . . . . .	–	14,727,541	14,727,541	0.58%	14,727,541	0.53%
Epoch Vantage Limited . . . . .	–	14,727,541	14,727,541	0.58%	14,727,541	0.53%
SmartDot Limited . . . . .	–	11,020,498	11,020,498	0.44%	11,020,498	0.40%

## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Shareholder	Ordinary Shares	Series A Preferred Shares <sup>(1)</sup>	Aggregate number of shares immediately before the completion of the Global Offering	Ownership percentage immediately before the completion of the Global Offering	Aggregate number of shares immediately after the completion of the Global Offering <sup>(2)</sup>	Ownership percentage immediately after the completion of the Global Offering <sup>(2)</sup>
Shining Light Grace Limited <sup>(6)</sup> . . . . .	–	10,800,000	10,800,000	0.43%	16,835,600	0.61%
People's Capital Digital II L.P. . . . .	–	10,309,278	10,309,278	0.41%	10,309,278	0.37%
Meitu Investment Ltd . . . . .	–	9,257,831	9,257,831	0.37%	9,257,831	0.33%
Haili Metal One Hongkong Co., Limited . . . . .	–	8,100,147	8,100,147	0.32%	8,100,147	0.29%
OKG Ventures Limited . . . . .	–	7,714,859	7,714,859	0.31%	7,714,859	0.28%
Gortune AlphaGo Inv. Limited . . . . .	–	7,714,286	7,714,286	0.31%	7,714,286	0.28%
Space Z PTE. LTD. <sup>(6)</sup> . . . . .	–	7,714,286	7,714,286	0.31%	13,749,886	0.50%
CMSC Partners OFC – Ignis Fund II . . . . .	–	7,363,770	7,363,770	0.29%	7,363,770	0.27%
HUIDING TECHNOLOGY PTE. LTD. . . . .	–	7,363,770	7,363,770	0.29%	7,363,770	0.27%
New Port International Capital Limited . . . . .	–	6,627,393	6,627,393	0.26%	6,627,393	0.24%
Ching Hiu Yuen (程驍遠) . . . . .	–	2,204,100	2,204,100	0.09%	2,204,100	0.08%
SNZ Holding Limited . . . . .	–	2,204,100	2,204,100	0.09%	2,204,100	0.08%
Atlascap Metaverse Limited . . . . .	–	1,815,261	1,815,261	0.07%	1,815,261	0.07%
EOS Network Ventures Fund I GP Ltd. . . . .	–	1,542,857	1,542,857	0.06%	1,542,857	0.06%
Puxing Energy Limited <sup>(3)</sup> . . . . .	–	586,329	586,329	0.02%	586,329	0.02%
ESOP Platform . . . . .	578,571,420	–	578,571,420	22.92%	578,571,420	20.92%
Other investors taking part in the Global Offering <sup>(6)(7)</sup> . . . . .	–	–	–	–	228,498,800	8.26%
<b>Total . . . . .</b>	<b>1,928,571,420</b>	<b>596,034,582</b>	<b>2,524,606,002</b>	<b>100.00%</b>	<b>2,765,176,002</b>	<b>100.00%</b>

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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*Notes:*

- (1) Assuming the Series A Preferred Shares will convert to Ordinary Shares on a 1:1 basis.
- (2) Based on a total of 2,765,176,002 Shares in issue immediately upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).
- (3) GDZ International Limited is an investment holding vehicle incorporated under the laws of the British Virgin Islands and is wholly-owned by Mr. Lu.

HashKey Fintech III is an exempted limited partnership registered under the laws of Cayman Islands. Partnership interest in HashKey Fintech III is held by GDZ International Limited as to 43.22% as a limited partner.

Puxing Energy Limited, a limited company incorporated in the Cayman Islands (HKEX: 00090), primarily engages in the development, operation, and management of natural gas power plants. Puxing International Limited holds 65.42% of the shares in Puxing Energy Limited and is ultimately controlled by Mr. Lu.

Mr. Lu, GDZ International Limited, HashKey Fintech III and Puxing Energy Limited are the Controlling Shareholders of our Company. For further details, see the section headed “Relationship with our Controlling Shareholders”.

- (4) XChainX Limited is a limited liability company incorporated under the laws of the BVI and is directly wholly-owned by Dr. Xiao, our executive Director, chairperson of the Board and Chief Executive Officer.
- (5) For the background of the remaining Shareholders, please refer to “History, Development and Corporate Structure — Pre-IPO Investments — Information about our Pre-IPO Investors”.
- (6) Each of Space Z PTE. LTD. and Shining Light Grace Limited will participate in the Global Offering as a Cornerstone Investor and will subscribe for 6,035,600 Offer Shares (assuming an Offer Price of HK\$6.45 per share, being the mid-point of the Offer Price range).

CDH Global Frontier Ventures Limited, a close associate of Black Shadows, L.P., will participate in the Global Offering as a Cornerstone Investor and will subscribe for 6,035,600 Offer Shares (assuming an Offer Price of HK\$6.45 per share, being the mid-point of the Offer Price range); upon completion of the Global Offering, they will together hold 35,490,681 Shares, representing approximately 1.28% of the total issued Shares of the Company (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

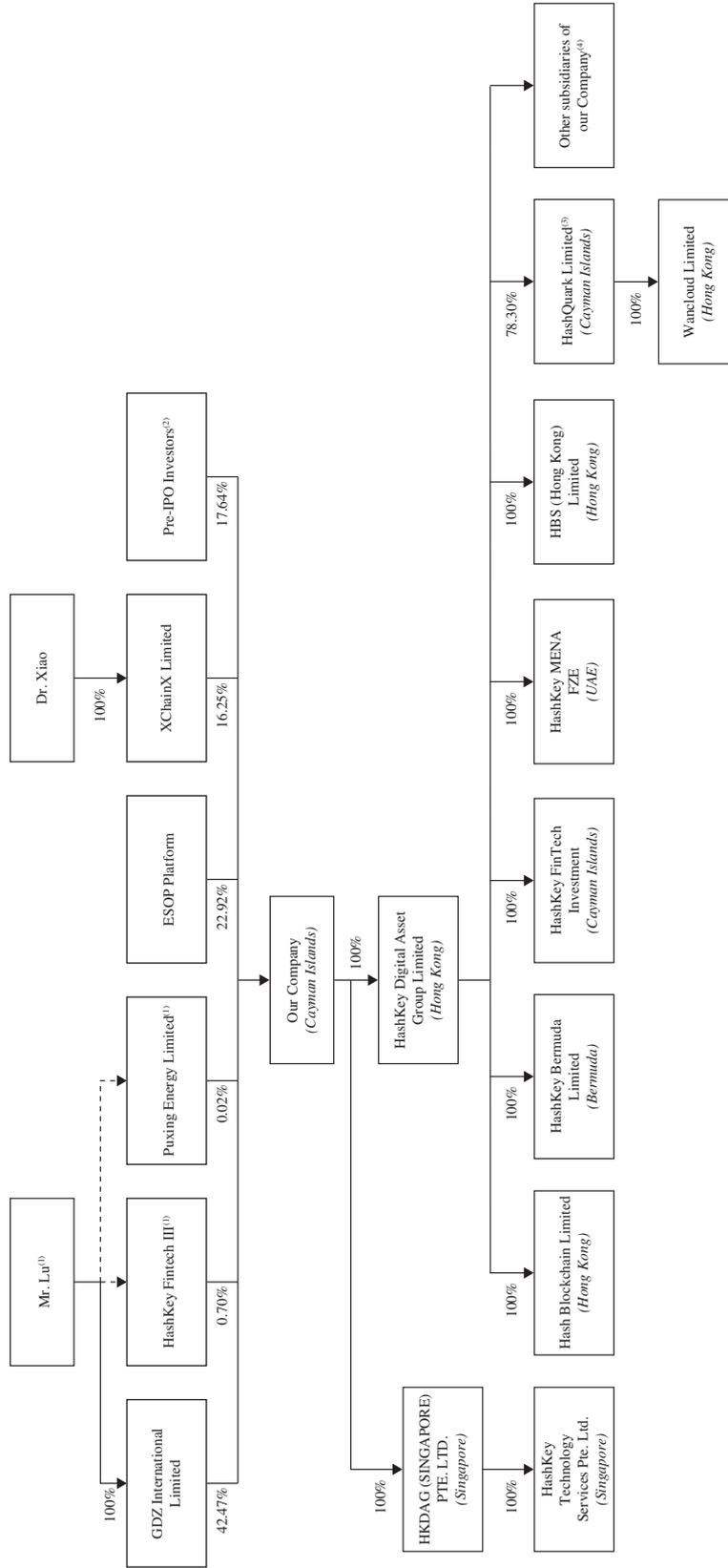
FIL Investment Management (Hong Kong) Limited, a close associate of Fidelity China Special Situations PLC and Fidelity Funds, will participate in the Global Offering as a Cornerstone Investor and will subscribe for 6,035,600 Offer Shares (assuming an Offer Price of HK\$6.45 per share, being the mid-point of the Offer Price range); upon completion of the Global Offering, they will together hold 79,673,303 Shares, representing approximately 2.88% of the total issued Shares of the Company (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

For further details, see the section headed “Cornerstone Investors”.

- (7) Excluding the Shares to be subscribed for by Space Z PTE. LTD. and Shining Light Grace Limited in the Global Offering as Cornerstone Investors as described in note (6) above.

**CORPORATE STRUCTURE IMMEDIATELY BEFORE COMPLETION OF THE GLOBAL OFFERING**

The chart below sets out the shareholding structure of our Group immediately before completion of the Global Offering:

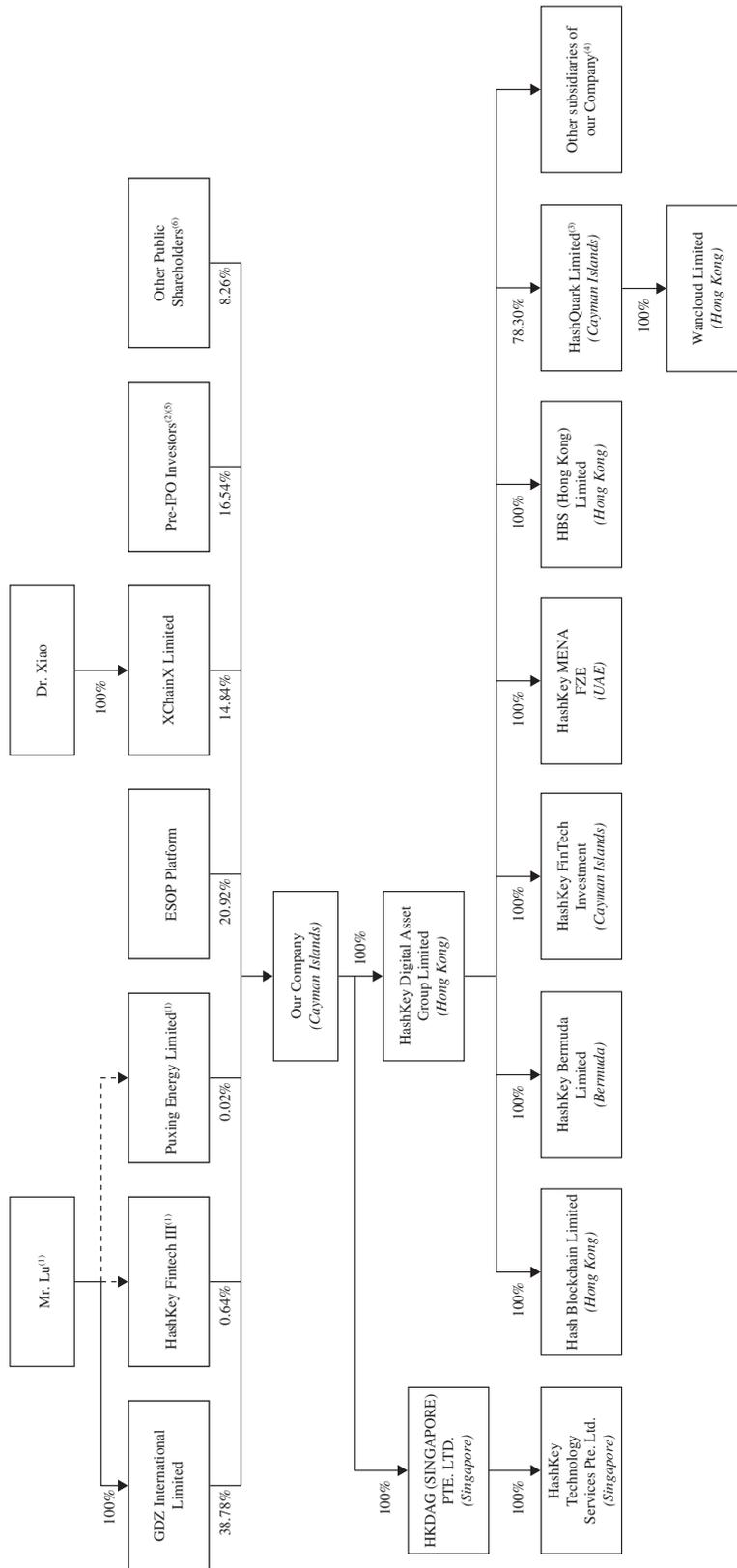


*Notes:*

- (1) Partnership interest in HashKey Fintech III is held by GDZ International Limited as to more than 30% as a limited partner. Puxing Energy Limited is ultimately controlled by Mr. Lu. For more details, please see the section headed “Relationship with our Controlling Shareholders” in this Prospectus.
- (2) None of these Shareholders had 10% or more shareholding in the Company as of the Latest Practicable Date. For further details of these Shareholders, see “— Pre-IPO Investments — Information about our Pre-IPO Investors” above.
- (3) As of the Latest Practicable Date, HashKey Fintech II, a connected person, holds 2.59% of the shares of HashQuark Limited. The remaining 19.11% of the shares of HashQuark Limited were held by eight other shareholders, each of whom is, to the best knowledge of the Directors, an Independent Third Party.
- (4) Including 23 other subsidiaries which are wholly-owned by our Company or non-wholly owned by our Company and Independent Third Parties.
- (5) Certain of our existing minority Shareholders, namely Space Z PTE. LTD. and Shining Light Grace Limited, will each participate in the Global Offering as a Cornerstone Investor and will subscribe for 6,035,600 Offer Shares (assuming an Offer Price of HK\$6.45 per share, being the mid-point of the Offer Price range). Certain close associates of our existing minority Shareholders, namely: (i) CDH Global Frontier Ventures Limited, being a close associate of Black Shadows, L.P., and (ii) FIL Investment Management (Hong Kong) Limited, being a close associate of Fidelity China Special Situations PLC and Fidelity Funds, will participate in the Global Offering as Cornerstone Investors. CDH Global Frontier Ventures Limited will subscribe for 6,035,600 Offer Shares and FIL Investment Management (Hong Kong) Limited will subscribe for 6,035,600 Offer Shares (all assuming an Offer Price of HK\$6.45 per share, being the mid-point of the Offer Price range). For further details, see the section headed “Cornerstone Investors”.
- (6) Excluding the Shares to be subscribed for by Space Z PTE. LTD. and Shining Light Grace Limited in the Global Offering as Cornerstone Investors as described in note (5) above.

**CORPORATE STRUCTURE IMMEDIATELY FOLLOWING COMPLETION OF THE GLOBAL OFFERING**

The chart below sets out the shareholding structure of our Group immediately following completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised):



Note: Please refer to notes (1) to (6) in “— Corporate Structure Immediately Before Completion of the Global Offering” above.

### OVERVIEW

We offer a licensed digital asset platform to provide (i) transaction facilitation services, (ii) on-chain services, and (iii) asset management services. Our platform has the capability to issue and circulate tokenised RWAs, and has launched HashKey Chain, a scalable and interoperable Layer 2 infrastructure designed to support on-chain migration.

Today, we are an established comprehensive digital asset company in Asia with a global footprint, providing end-to-end financial infrastructure, technology and investment management to create a digital assets ecosystem. Specifically, we are the largest regional onshore platform in Asia by trading volume in 2024, according to Frost & Sullivan. Beyond trading, we are also the largest on-chain services provider in terms of assets under staking and the largest digital asset manager by AUM in Asia, underscoring our leadership across all our businesses, according to the same source.

We serve a diverse client base of institutional and retail users.

- **Institutions:** We provide institutions with advanced trading, institutional-grade custody and deep liquidity pools, built on top of a robust and secure platform; and
- **Retail users:** We serve as a gateway for individual retail users into the digital assets universe. We provide a simple, safe, trusted platform to trade, store, stake, use and transfer digital assets.

We are anchored in Asia, with operations across Hong Kong and Singapore, and have recently expanded our operations globally to Bermuda, Japan, UAE and Ireland. We firmly believe that compliance drives responsible and sustainable innovation in our industry. We have invested heavily from day 1 to maintain the highest standards of compliance, transparency and trust across our business segments. Today, we are licensed by multiple regulatory bodies and actively engage with regulators globally to shape policies and further our long-term goals and benefit the broader digital asset industry.

### Our Business Segments

#### *Transaction facilitation services*

Our flagship transaction facilitation services business offers a full suite of services, including order book trading, block trades, earn products, on/off ramp and FX conversion, while delivering robust trading and liquidity through a unified global order book.

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## BUSINESS

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According to Frost & Sullivan, we are the largest regional onshore platform in Asia. We have over 75% market share in Hong Kong in terms of trading volume in 2024, over three times that of our nearest competitor. We are also one of the only exchanges with relevant licenses in every jurisdiction we operate in, and more importantly all of our business offerings and facilitated transactions are conducted under our licensed entities of respective regulatory regimes.

Our competitive advantages include deep liquidity, institutional-grade infrastructure, regulatory licenses, trusted brand and compliant on/off ramp. Our platform has been recognized globally by Bloomberg, Forbes and CoinGecko, highlighting our excellence, trust and leadership.

### *On-chain services*

Our on-chain services business enables our clients to participate in an increasingly on-chain and decentralized future through staking, tokenisation and custodial technology.

According to Frost & Sullivan, we are the largest provider of on-chain services in Asia and are ranked eighth globally with HK\$29 billion of assets under staking across more than 80 protocols. We are also building HashKey Chain, a secure, low-cost, developer-friendly and regulatory-friendly Ethereum Layer 2 designed to bring more RWAs on-chain through tokenisation and accelerate widespread blockchain adoption.

Our competitive advantages include trusted security and reliability, technology know-how and long-standing partnerships.

### *Asset management services*

Our asset management services business provides clients with seamless access to digital asset investments through a diverse suite of passive and active fund strategies, taking the investing DNA that has been core to HashKey since our inception and externalizing it for our capital partners.

We are the largest digital asset manager in Asia with HK\$7.8 billion in assets under management across both HashKey Venture Investments and HashKey Liquid Funds, according to Frost & Sullivan.

- HashKey Venture Investments makes venture capital investments in the digital asset sector across infrastructure, tools, applications and service providers. As one of the earliest institutional investors in Ethereum, we have managed HK\$5.7 billion in client assets since inception and have made over 400 investments across 2 flagship funds.

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## BUSINESS

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- HashKey Liquid Funds is our diversified crypto fund management business and offers ETFs, index passive funds and active funds. We provide institutions access to regulated liquid products, such as HashKey Digital Investment Fund and HashKey FTSE Digital Asset Top 20 Index Fund. Our Bosera HashKey Bitcoin and Ether ETFs are the second largest BTC and ETH ETFs in Asia as of July 2024.

Our competitive advantages include seasoned investment professionals, successful track record and deep connectivity throughout the digital asset ecosystem.

### Our Scale

The following diagram illustrates the scale of our platform that we have achieved to date.

## HASHKEY

### An established comprehensive digital asset company in Asia

Transaction facilitation services	On-chain services	Asset management services
 <b>#1 in Asia</b> Regional onshore digital asset exchange by trading volume <sup>1</sup>	 <b>#1 in Asia</b> On-chain services provider by assets under staking <sup>1</sup>	 <b>#1 in Asia</b> Digital asset manager by AUM <sup>1</sup>
 <b>HK\$1.3 trillion</b> Cumulative spot trading volume <sup>2</sup>	 <b>~HK\$29 billion</b> Assets under staking <sup>2</sup>	 <b>~HK\$8 billion</b> AUM since inception <sup>2</sup>
 <b>~HK\$20 billion</b> Assets on platforms <sup>2</sup>	 <b>HK\$1.7 billion</b> HashKey Chain total RWA value <sup>2</sup>	 <b>&gt;10x</b> Multiple on invested capital for HashKey Blockchain Investment Fund <sup>3</sup>

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#### Notes:

- 1 As of December 31, 2024, according to Frost & Sullivan and for details, please refer to “Industry Overview”;
- 2 As of September 30, 2025;
- 3 HashKey Blockchain Investment Fund had a 5-year fund life and was exited in October 2023.

### Our Network Effect

Our economic loop is powered by a network of users, tokenised assets, and tokenised capital.

Users store assets and provide liquidity, which encourage further tokenisation and expands the depth and breadth of compliant digital asset offerings. This enables us to launch more tokenised assets such as tokenised funds, and tokenised RWAs.

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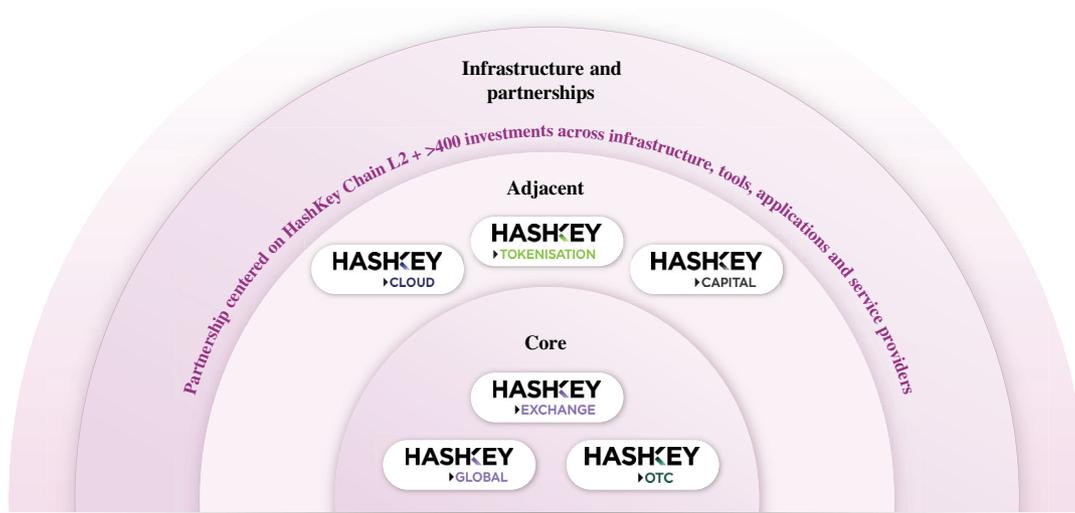
## BUSINESS

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Tokenised capital, delivered through compliant on/off ramps and the conversion of fiat into stablecoins, provides users with on-chain liquidity and a trusted settlement layer. This is supported by being one of the few 24/7 fully compliant on/off ramps providers, and by our strategic stake in RD InnoTech Limited, one of the three participants of HKMA's stablecoin issuer sandbox.

By bringing both tokenised assets and tokenised capital together on a single compliant platform, this creates a network effect which attracts additional users and liquidity to our platform. Our deep liquidity serves as the center of gravity of our ecosystem and is self-reinforcing, which further drives more comprehensive product and service offerings.

### Our Ecosystem



We created an integrated ecosystem that is designed to compound trust, scale and defensibility.

- *Core* — at the center is our licensed trading platforms, including our exchange business and OTC business, which anchors trust and liquidity
- *Adjacent* — around this core, we also have complementary offerings in staking, tokenisation, and asset management that expand our tokens, unlock more offerings, and diversify revenue streams
- *Infrastructure and partnerships* — extending further, HashKey Chain and partnerships combine to form a compliant and resilient blockchain infrastructure, with proper incentive alignment that seek to drive mass adoption among institutions and retail users

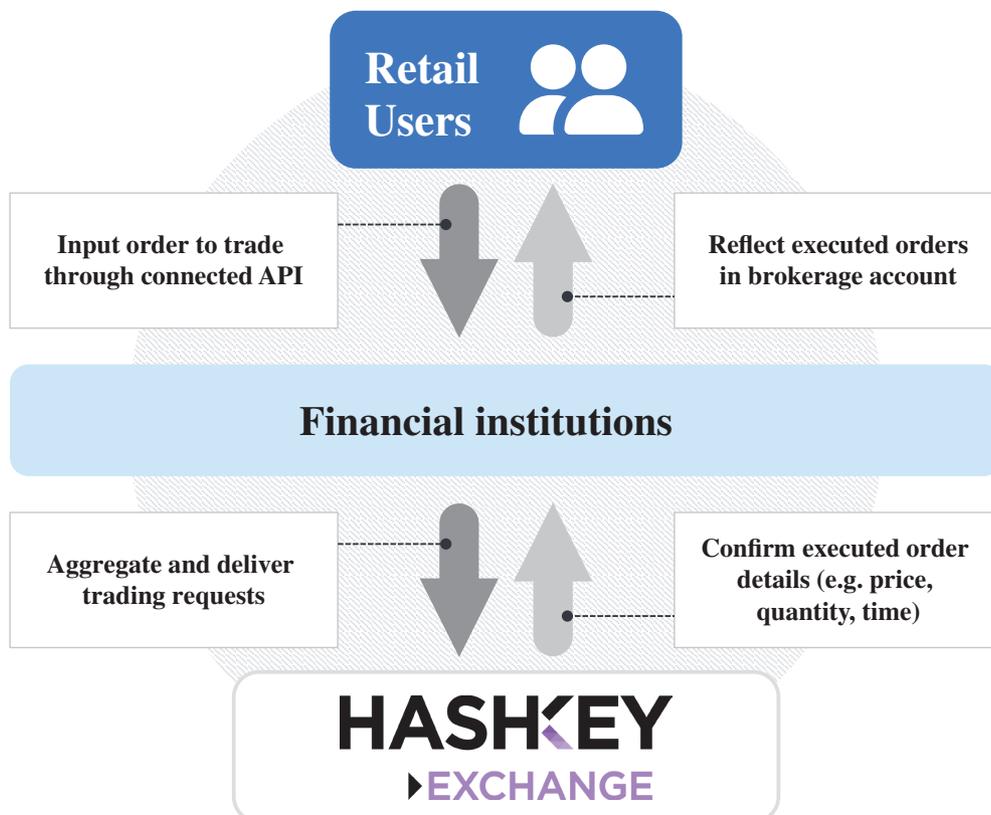
**Core — Trading platforms**

Our trading platforms, including our exchange business and OTC business, is at the foundation of our ecosystem.

Over the past decade, trading activity was largely retail-driven, focused predominantly on pure digital asset native tokens, and concentrated on unregulated offshore exchanges. As digital assets enter the mainstream, institutional flows will drive trading not only digital-native tokens but also “digital twin” products such as stablecoins and tokenised RWAs, with volumes shifting to onshore exchanges. We believe that onshore exchanges like ours will benefit from this transition through the ability to offer tokenised securities and assets.

As a licensed player in multiple jurisdictions, we also operate under an omnibus approach. Our platform serves as the underlying infrastructure that connects licensed intermediaries to the digital asset market, enabling their clients to trade at their platforms. In Hong Kong, through partnerships with the majority of financial institutions licensed from the SFC to provide digital asset services in Hong Kong, we effectively extend our reach to both professional and retail investors (with the former being our main transaction volume driver), where these securities firms provide digital asset trading services to their end-customers, as illustrated in the below diagram.

## Omnibus



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## BUSINESS

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Internationally, we have started to connect with local markets through strategic partnerships by exporting our liquidity, security and technology. For example, we teamed up with Coins.ph to establish a licensed, 24/7 remittance corridor between Hong Kong and the Philippines.

Positioned at the intersection of traditional and digital finance, our trading platforms allow institutions and retail investors seeking compliant services to participate in the next wave of tokenised assets.

### *Adjacent — Staking, tokenisation and asset management*

Surrounding this core, we also have complementary offerings that deepen monetization and defensibility.

- *Staking* — we offer staking services, which also provide users of our exchanges with access to network staking and yield opportunities on their digital assets, driving more use cases and convenience
- *Tokenisation* — we offer tokenisation advisory services that are integrated with our exchange and custody business, expanding our product depth and institutional relevance
- *Asset management* — we invest across the blockchain stack, supplying our exchange business with differentiated companies, tokens and strong institutional relationships

Together, these businesses supply assets, create yield opportunities, and drive client stickiness, reinforcing our core franchise.

### *Infrastructure and partnerships — HashKey Chain and institutional partnerships*

Beyond these businesses, we are building the infrastructure for traditional finance migration on-chain, with full KYC/AML and safeguarding measures embedded in the protocol.

We offer HashKey Chain, a regulatory-friendly Ethereum Layer 2 bringing together the programmability and transparency of blockchain with the safeguards found in our infrastructure. We also developed HSK token, our gas token on HashKey Chain, serving as a utility instrument to align incentives across users, developers and ecosystem partners to drive adoption and growth of the ecosystem. HSK has been listed in several digital asset trading platforms, and the trading of HSK was conducted by holders on these platforms. According to CoinMarketCap, the trading volume of HSK across all exchanges amounted to US\$192.1 million and US\$548.6 million in 2024 and the six months ended June 30, 2025, respectively. The closing price of HSK was approximately US\$2.28 and US\$0.65 as of December 31, 2024 and June 30, 2025, respectively. The price change of HSK was primarily impacted by overall market sentiment and investor expectations.

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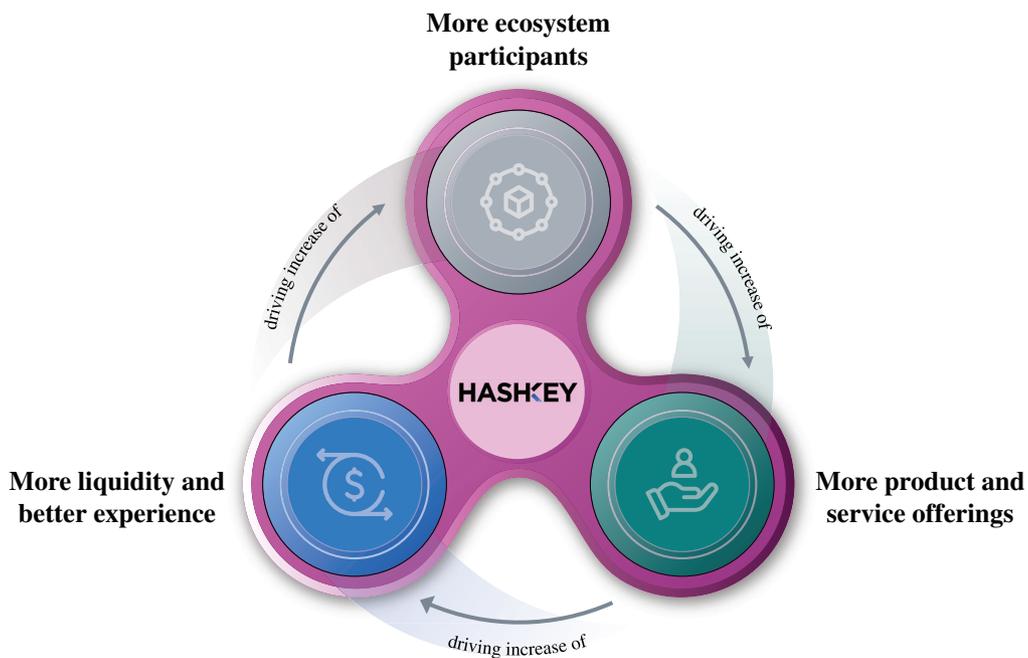
## BUSINESS

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We have made more than 400 investments across infrastructure, tools, applications and service providers. These portfolio companies can build and provide their services on HashKey Chain. Moreover, our major stake in RD InnoTech Limited gives us ready access to a compliant stablecoin that bridges traditional finance to on-chain offerings. As we bolster our infrastructure and deepen institutional partnerships, more assets migrate on-chain and breadth of potential use cases expand, creating multiple ways for institutions and users to interact with HashKey Chain.

### Our Ecosystem Flywheel

Together, these dynamics power our growth. As we expand our user base and our partnership network, this drives demand for more expansive product and service offerings, and broader use cases. Expansion of product and service offerings increases trading volume and liquidity, and delivers better experience for our users, which in turn further attract ecosystem participants. This creates a self-reinforcing growth flywheel of adoption, product innovation and scale.



### OUR COMPETITIVE STRENGTHS

#### Industry trailblazer as an established digital assets company in Asia

We are an established comprehensive digital asset company in Asia with a global footprint and the only company in the region to offer our customers market-leading transaction facilitation, on-chain services and asset management at scale, all within one integrated ecosystem.

For our transaction facilitation business, we are the largest regional onshore platform in Asia, according to Frost & Sullivan. For our on-chain services business, we are the largest provider of on-chain services in Asia and are ranked eighth globally. For our asset management business, we are the largest digital asset manager by AUM in Asia. This leadership positions us to capture the rapid expansion of the digital asset industry as mass adoption of compliant crypto services accelerates. As the regulatory landscape evolves, there are increasingly more products only permitted to be offered on compliant platforms, and we rigorously ensure that all products are solely offered through compliant channels.

Building on this foundation of trust, we have achieved numerous “firsts” that translate into durable competitive advantages.

- *Regulatory* — first to obtain the retail VATP license in Hong Kong
- *On/off ramps* — one of the few exchanges with 24/7 on/off ramps
- *Earn channels* — first in Hong Kong to launch earn channels as part of the exchange platforms
- *ETFs* — first to launch Bitcoin and Ether spot ETFs in Hong Kong
- *RWA tokenisation* — first to launch tokenised money market fund globally
- *Staking* — one of the first to offer institutional-grade staking services in Asia
- *Web3 infrastructure* — launched HashKey Chain, a regulatory-friendly Ethereum Layer 2 network to onboard financial institutions to Web3
- *Stablecoin* — we are a major shareholder of RD InnoTech Limited, which is one of the few participants in Hong Kong Monetary Authority’s Stablecoin Issuer Sandbox program

As an industry pioneer with a compliance-first approach, we work closely with regulators and relevant stakeholders to jointly set standards and help shape the regulatory regime, a role that provides us with front-line insights into industry evolution.

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## BUSINESS

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We believe we are at the inflection point and entering a next phase of growth. We will continue capitalizing on Hong Kong's strategic position as the largest financial hub for Asia, as well as the shifting preferences towards onshore and compliant platforms and exchanges with an ability to handle 24/7 on/off ramp. Backed by a proven track record of scaling in Hong Kong, we are best positioned to replicate our success in more markets in Asia and worldwide.

### **Trusted, secure and compliant platform**

Our platform is built on compliance, robust governance and institutional-grade security.

We operate in full compliance with markets that have well-established licensing frameworks and today, we hold a comprehensive suite of 13 licenses and registrations in Hong Kong, Singapore, Japan, Bermuda, UAE and Ireland. In jurisdictions where licensing frameworks are still developing, we strive to maintain best-in-class governance, security and customer protection standards.

At the same time, we continue committing significant resources and time to earn and keep the trust of our clients. Our annual internal controls audit is supported by internal audit department with external professional institution's assistance and we are also SOC 1 (Type 2), SOC 2 (Type 2), ISO27001 (information security management) and ISO27701 (privacy information management) certified.

We are very proud to be one of the few crypto platforms where no customers lost funds due to security breaches, and we secure clients' funds with multiple layers of protection ranging from institutional custody standards, strict segregation of assets to proper and comprehensive insurance coverage for both hot and cold wallets. Since inception, insurance premiums have been steadily declining over several renewal cycles, reflecting insurers' positive assessment of our risk management controls. We have also never recorded any on-chain slashing incidents, underscoring our robust governance and operational safeguards.

Over the years, we have built a reputation for trust and created significant brand value. This has helped us to grow and retain our clients while bringing new products and offerings to market. In particular, our track record enables us to participate in stablecoin and tokenisation, areas where regulators are highly selective given KYC/AML considerations, and hence only work with players that demonstrate the highest compliance standards.

Some notable recognitions we received include:

- Recognized by Bloomberg Businessweek as the "FinTech Platform Provider of the Year (Cryptocurrency)" in 2025;
- Named one of the world's top exchanges in Forbes' "The World's Most Trustworthy Crypto Exchanges" in 2025 for the second consecutive year; and
- Ranked 16th on CoinGecko's global exchange list as of June 30, 2025.

### **Integrated and diversified offerings amplifies network effects**

Our offerings create strong self-reinforcing network effects and economies of scale that in turn power a flywheel of growth and contribute to our ecosystem.

Within each segment, the growth of users and assets enhances the overall experience, attracting even more users and assets and driving further growth. For example, in our exchange business, as we attract more users across more jurisdictions, this leads to better liquidity, tighter spreads and faster execution, which in turn attracts more users, partners, as well as their share of assets.

Across segments, these synergies are amplified. Each segment serves as a gateway into our ecosystem and promotes cross-utilisation of our products and services, fostering customer stickiness and increasing monetization opportunities. For example, we can originate tokenised assets, provide compliant custody, distribute them via our exchange and integrate into our HashKey Chain. For example, we provide on chain solutions to asset managers such as Bosera to originate and distribute tokenised money market funds through our exchange, which not only broaden investor outreach, but also enhance product offerings on our exchange platform to drive trading activities.

Our diversified offerings also provide stability to our financial performance, and gives us the ability to introduce more complementary offerings over time. As our user base grows, we see a significant opportunity to increase the number of clients utilizing two or more products or services across multiple touch points in our business. We believe that our full-service platform, industry connectivity, recognizable brand, ecosystem partnerships and deep leadership will drive our competitive advantage and create a sustainable advantage as the industry evolves.

### **Proven partnerships and longstanding relationships across the ecosystem**

Our partnerships with leading banks, payment networks, asset managers, fintech companies and Web3 projects contribute to the diversity and growth of our platform. These collaborations expand distribution, deepen liquidity and accelerate adoption of tokenised assets and capital on our platform.

We work closely with strategic partners across the digital asset ecosystem.

- Strategic alliance with Coins.ph to establish new fully-compliant liquidity corridors between Hong Kong and the Philippines
- Partnerships with brokerage firms such as Victory Securities to enable omnibus account solutions, providing their clients with a single and compliant gateway to access our trading services

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- Strategic partnership with listed corporates such as IVD Medical to implement crypto treasury solutions and a memorandum of understanding with China New City Group Limited on compliant digital asset collaboration
- Collaboration with GF Securities (Hong Kong) to issue tokenised securities and distribute tokenised offerings through our exchange and custody stack
- Strong relationships with Standard Chartered Bank and ZA Bank which support our provision of 24/7 fiat on/off ramps services to users
- Partnerships with protocols/blockchain networks to increase the number of protocols supporting staking, thereby strengthening our staking business
- Investments in more than 400 innovative startups to gain early access to disruptive emerging technologies which help us improve on-chain offerings

We are also co-hosts of Hong Kong's Web3 Festival, Hong Kong's premier and large-scale digital asset conference that brought together over 300 exhibitors, 1,000 speakers and 110,000 visitors. This provides regular touchpoints for us to connect and maintain dialogues with our industry partners.

We believe our combination of industry leadership and compliance-first approach uniquely positions us as the partner of choice for companies looking to innovate with digital assets offerings. These partnerships embed us at the center of Asia's digital asset industry and reinforces our role as the trusted platform for institutions and retail users.

### **Robust and purpose-built technology platform**

We invest significantly in our technology and data capabilities to build a technology platform designed to deliver institutional-grade security, resilience and extensibility.

We employ data and behavioral analytics such as crash diagnostics, attribution and multi-dimensional event tracking, to allow us to understand user behavior and optimize onboarding, unified accounts and personalized interfaces. These behavioral analytics are all subject to compliance review to maintain full regulatory alignment. Moreover, we utilize technology-driven tools to support anomaly detection, predictive risk monitoring, fraud detection and automated code review, accelerating deployment while enhancing safeguards. KYC onboarding is mostly automated and has incorporated OCR, ID recognition and facial verification.

Our system supports peak throughput of up to 50,000 transactions per second with dynamic scaling capacity. Our cloud-native, microservices-based design and distributed database architecture enable modular product development and rapid deployment. We provide open APIs and integration environment that allow our partners and developers to build directly on our stack and participate in driving more applications. Furthermore, our infrastructure and

technology stack are purpose-built to support digital asset innovation, including tokenised assets and capital. Our HashKey Chain is able to support various scenarios of stablecoin applications such as cross border payments.

### **Seasoned leadership team and top-notch talent drive our forward-thinking strategic roadmap**

We were founded in 2018 by Dr. Xiao, a pioneering investor who has been at the forefront of the digital asset movement since its earliest days.

Dr. Xiao was among the first batch of early-stage investors in Ethereum when it first launched around a decade ago, recognizing its transformative potential long before it achieved mainstream recognition. He also saw early on that the industry's long term success would depend on building a fully onshore and licensed business and remained steadfast in his conviction before it became industry consensus and regulatory frameworks caught up. As such paradigm shift continues with increasing RWA tokenisation and on-chain migration, Dr. Xiao's foresight and disciplined execution have shaped us into Asia's established regional onshore exchange platform equipped with a wide range of on-chain capabilities, uniquely positioned to capture the next wave of growth.

To execute on this mission, we have assembled a leadership team with deep expertise across traditional finance, blockchain technology, product design, compliance and risk, investing, corporate strategy and human resources. Their credibility and networks has allowed us to secure licenses, attract capital and unlock partnerships. We have also built a deep bench of seasoned executives, ensuring resilience and scalability as we continue to scale and expand internationally. Our corporate culture combines rigorous compliance and proactive regulatory engagement with a mindset of innovation and execution. We believe that the combination of our founder's strategic leadership, proven management team and unique corporate culture will continue to set us apart from our peers.

### **OUR GROWTH STRATEGIES**

#### **Creating a SuperApp through launching innovative products**

Driven by our culture of innovation, we remain laser-focused on product innovation, helping us broaden market reach, diversify customer use cases and reinforce our position as an established digital asset company in Asia.

We plan to expand into more exchange offerings like derivatives, perpetual contracts, and equity/debt tokenisation and trading, deepening market liquidity and extending the exchange's capabilities to enhance institutional-grade offerings. Derivatives and perpetual contracts help diversify user trading strategies, while equity/debt tokenisation enables 24/7 fractionalized trading of real-world equities/bonds on-chain. We are also planning to expand into crypto bank cards. Moreover, we are launching an OTC marketplace solution targeting institutions with diversified transaction needs, leveraging our network and liquidity sources.

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For our on-chain services, we plan to launch Crypto-as-a-Service based on our HashKey Chain, to provide businesses with readily-available infrastructure and tools such as APIs and smart contract protocols. This enables them to integrate crypto functionalities (e.g. payments, trading, and custody) into their own products without building complex systems from scratch.

For our asset management services, we plan to establish funds with dedicated investment strategies built around digital asset treasury markets, which could potentially provide attractive returns and diversified exposure to our capital partners.

Integrating the above product innovations, we are building a SuperApp to provide our users with an all-in-one platform for seamless access to our comprehensive suite of exchange, on-chain and asset management, and future offerings. Our SuperApp's ultimate goal is to enable on-chain migration, tokenisation and trading of the full spectrum of all asset classes.

### **Investing in technology and strengthening our infrastructure**

We plan to continue technology innovations to enhance user experience, improve platform performance and deliver best-in-class transaction facilitation and on-chain services, future-proofing its ecosystem against rapid industry developments.

We plan to improve existing products through introduction of more trading pairs, compatibility with different blockchain protocols, staking yield optimization tools, and on-chain digitally-native service offerings. Moreover, we are strengthening our infrastructure to serve both digital-native tokens and RWA tokens. To enhance user experience, we will also leverage advance technology to create on-chain analytics dashboard for users to easily track portfolio performance and provide users with any risk alerts.

We will continue investments in our core exchange infrastructure to support high-volume, real-time global operations. We are further expanding our liquidity resources by creating an expansive liquidity pool. We are promoting partnerships between our onshore exchanges and local leading exchange platforms across Asia. Through these partnerships, local leading exchanges can leverage our seamless cross-border trading infrastructure and help enhance liquidity and flow activities on our platform. For example, we are steadily progressing collaboration with leading exchanges in the Philippines, Malaysia, Thailand and Indonesia.

We are building our capabilities in primary stablecoin minting and circulation, and plan to expand into PayFinance leveraging our stablecoins. Some scenario applications include (1) exchange, where stablecoins offer fast, low-cost and reliable settlement mechanism for trading and on/off-ramping; and (2) cross-border transactions, where stablecoins enable near-instant and transparent cross-border transactions, providing a very efficient alternative to legacy remittance networks. We are expanding collaboration with other exchanges across Asia. Starting from Coins.ph in the Philippines, we look for similar partnerships across other markets in Asia such as Malaysia, Thailand and Indonesia, to implement stablecoins for cross-border payments, establishing the foundation for efficient cross-border fund flows.

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As digital asset products become more sophisticated, we will continuously upgrade our infrastructure to deliver low-latency performance with high scalability and resilience, ensuring holistic support for new and complex offerings. Our technology roadmap is fully aligned with emerging blockchain developments (e.g. Layer 2 scaling, RWA tokenisation, stablecoin adoption, omnibus solutions), placing us at the forefront of long-term industry growth. We are committed to develop and strengthen our technology stack through continuous investment in R&D, including recruitment of top-notch talents across the fields of crypto and blockchain, and enhancement of our cybersecurity defense schemes.

### **Attracting users and deepening market position in Asia**

We operate in Asia, a region with tremendous opportunities for growth and favorable macro tailwinds, such as growing adoption, more institutions and well-established frameworks. We believe we are still in early stages of growth in our existing markets. Hong Kong has been a key liquidity hub of Asia, and we are well-positioned to capitalize on the upside from increasing crypto fund inflows.

We plan to extend our leadership position in Hong Kong and strengthen our position in other countries where we have a smaller but growing presence through:

- Attracting more institutions — we continue seeing growth in our institutional customers. To address this growing demand and better serve our institutional customers, we will expand our sales and distribution team to cover a larger amount of customers
- Attracting more retail users — we continue our marketing investments to grow our monthly transacting accounts and activate dormant registered accounts into monthly transacting accounts. We employ a diversified acquisition strategy combining digital advertising, KOL partnerships, targeted offline campaigns and social media

### **Expanding into new markets**

We currently operate with strong regulatory foundation, with exchange, OTC, custody and asset management licenses.

We believe we are still in early stages of our international expansion and intend to pursue a disciplined approach for entering new markets. We evaluate many factors when choosing to enter a market, including market opportunity, competition, local partners and regulatory environment.

Our ability to expand prudently is exemplified by the approval of our operating licenses outside of Hong Kong. This has enabled us to engage more with clients and partners globally. We hope to enjoy the same success in UAE as we ramp up our business activities and

initiatives. Going forward, we aim to further expand into increasingly regulated yet underpenetrated markets/regions like Europe and Latin America. These regions see an increasing number of digital assets users and overall awareness of our brand.

We expect to leverage our strong brand, robust regulatory foundation and competitive positioning as a full service platform to capture market share in new regions. Expanding our licensing footprint will allow us to reach large new potential user bases geographically. We believe our ongoing localization efforts will also attract more users to the platform as we are able to offer more value to our users through features specifically suited for their needs, such as localized websites, the ability to on-ramp local currencies and trade in local trading pairs etc.

### **Selectively pursuing strategic partnerships and M&A**

To supplement our organic growth, we may selectively pursue strategic investments, acquisitions and strategic partnerships that enhance our current capabilities or enable expansion into new categories or geographic markets. For example, our recent strategic investment in Asseto is a pivotal step for us to advance our capabilities in RWA tokenisation to accelerate on-chain finance. Asseto operates as a tokenisation-based platform for the issuance of RWA tokens and stablecoins backed by the relevant underlying assets. It connects “initiators”, who originate and structure RWA projects, with “actors”, who participate and invest in these projects, enabling compliant and supporting the broader DeFi ecosystem. Through its solutions and regulatory framework, Asseto enhances the tokenisation process by improving asset liquidity, lowering entry barriers to attract a wider investor base, enhancing transparency and security, optimizing capital efficiency, and facilitating integration with DeFi applications to enhance yield generation. This strategic investment not only expands our technological and product capabilities in RWA tokenisation, but also reinforces our position to capture long-term opportunities in regulated on-chain finance.

We continue establishing strategic partnerships with different institutions across omnibus account solutions, RWA tokenisation and stablecoins.

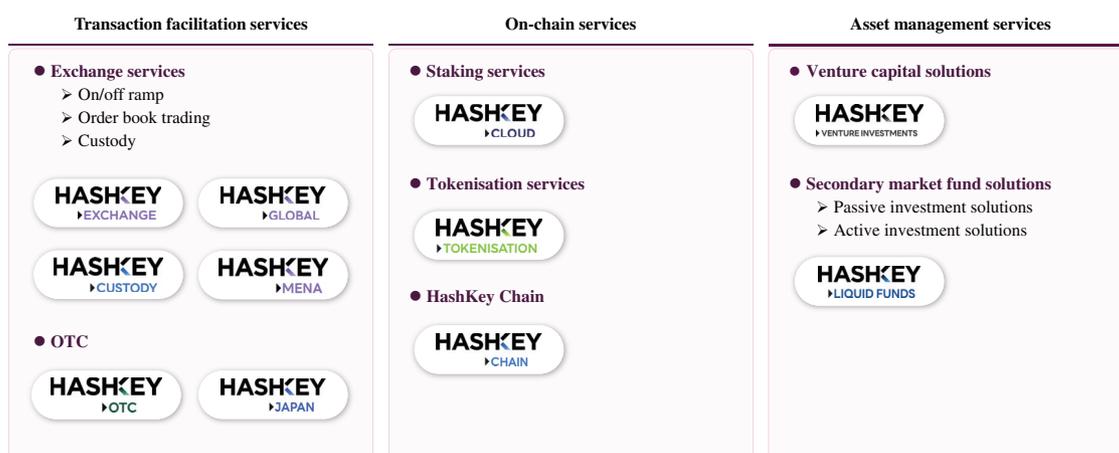
- *Omnibus account solutions* — we are working closely to onboard other reputable brokerage firms and deepen our institutional connections with other trading firms
- *RWA tokenisation* — building upon our track record, we are in discussion with other parties to launch other tokenised funds including bonds, equity-structured products, bank factoring and financial leasing products
- *Stablecoins* — we are in advanced discussions with several stablecoin issuers, banks, FinTech and Web3 companies to cooperate on stablecoin implementation

We expect to continue evaluating such opportunities with discipline, prioritizing those that align with our broader growth strategy and deliver meaningful strategic value.

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### OUR SOLUTIONS

We are an established comprehensive digital asset company in Asia with a global footprint. We create a digital asset ecosystem that delivers a comprehensive and expanding suite of products and services, tailored to meet distinct and evolving needs of retail investors, institutional clients and other stakeholders alongside the blockchain value chain. Our offerings span the spectrum of digital asset related offerings, including digital asset transaction facilitation services, on-chain services and asset management services. As of September 30, 2025, our platforms supported a total of 80 digital asset tokens, covering a wide range of categories including major layer-1 assets, DeFi tokens, stablecoins and emerging ecosystem projects. The below graphic illustrates our business model:



During the Track Record Period, we derived revenue primarily from (i) transaction facilitation services, (ii) on-chain services, and (iii) asset management services. The following table sets forth a breakdown of our revenue by type of services for the periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	HK\$	%	HK\$	%	HK\$	%	HK\$	%	HK\$	%
<i>(in thousands, except percentages)</i>										
<i>(unaudited)</i>										
Transaction facilitation services . . . . .	(14,915)	(11.6)	50,448	24.3	517,773	71.8	272,108	70.8	193,213	68.0
On-chain services . . . . .	71,807	55.6	78,450	37.8	124,802	17.3	74,425	19.4	52,991	18.7
Asset management services . . . . .	72,172	55.9	78,894	38.0	78,156	10.8	37,653	9.8	37,763	13.3
<b>Total . . . . .</b>	<b>129,064</b>	<b>100.0</b>	<b>207,792</b>	<b>100.0</b>	<b>720,731</b>	<b>100.0</b>	<b>384,186</b>	<b>100.0</b>	<b>283,967</b>	<b>100.0</b>

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Volatility in the digital asset market affects our different business segments to varying degrees. For our transaction facilitation services, revenue is primarily derived from transaction fees. Market fluctuations can influence trading sentiment and transaction volume, thereby indirectly affecting trading-related revenue. Periods of increased volatility generally drive higher trading activity, while sustained downturns may lead to lower transaction volume. For our staking services, revenue is generated based on the scale of assets under staking, on-chain staking yields and our sharing ratio, all denominated in tokens. Although token prices may fluctuate with market conditions, our scale of staking in terms of token value tends to remain relatively stable during market downturns, as investors often prefer staking over trading in such periods. Consequently, our staking-related revenue is less sensitive to market price movements compared with trading revenue. For our asset management business, management fees are primarily calculated based on AUM, except that our venture capital funds charge management fees based on committed capital rather than AUM. While market valuation changes may affect AUM to some extent, the overall impact of market volatility on our asset management revenue remains limited. Overall, our diversified business model and conservative approach to proprietary holdings help mitigate the impact of digital asset market volatility on our results of operations and financial condition.

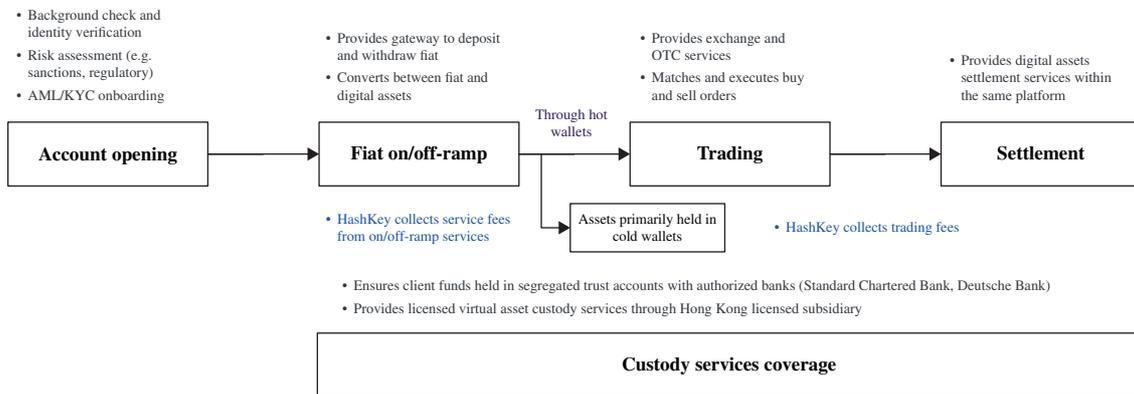
### **Transaction facilitation services**

As our core business, we operate one-stop trading platforms to facilitate digital asset investments for both institutional and retail investors. We are the largest regional onshore digital asset platform in Asia in terms of trading volume in 2024, and the largest in Hong Kong with over 75% market share, over three times that of our nearest competitor, according to Frost & Sullivan. The onshore market represents the core gateway for institutional adoption of digital assets. We are among the few exchanges that hold relevant licenses in every jurisdiction where we operate, and all of our business activities and facilitated transactions are carried out through licensed entities under the applicable regulatory regimes.

We commenced our transaction facilitation services in 2022, during which our exchange platform was in its early stage of development. As market conditions were volatile and our platform was still in the process of building its infrastructure and client base, our revenue contribution from this segment was limited. Moreover, the fair value loss of digital assets further impacted our financial performance in 2022. However, this initial stage laid a solid foundation for our subsequent growth. With the progressive enhancement of our trading system, compliance framework and institutional client onboarding, we entered into full-scale operations in 2023 and began to experience steady increases in trading volume and client engagement. In 2024, our revenue from transaction facilitation services reached HK\$517.8 million as compared with a loss of HK\$14.9 million in 2022, reflecting the strong momentum of our business expansion and the effectiveness of our early strategic investments. Our assets on platforms increased from nil as of December 31, 2022 to HK\$0.9 billion as of December 31, 2023, and further to HK\$11.4 billion as of December 31, 2024. As of September 30, 2025, 3.1% of our assets on platforms were held in hot wallets and 96.9% in cold wallets. As of September 30, 2025, our digital assets on platforms exceeded HK\$17.9 billion, and fiat funds held in custody amounted to HK\$2.0 billion. During the Track Record Period, a majority of our

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trading volume was contributed by institutional clients, underscoring the significant role they play in driving the overall activity on our platform. As of September 30, 2025, our Hong Kong platform supported the trading of USDT, BTC, ETH, USDC, SOL, LINK, AVAX, DOGE, UNI, XRP and others, while our Bermuda platform enabled trading in a diversified range of digital assets covering 72 categories in total. As of September 30, 2025, we did not offer trading of digital assets other than cryptocurrencies on our platform. The following diagram sets forth an overview of the business and fund flow chart of our transaction facilitation services.



We require both institutional and retail clients to complete a comprehensive onboarding process before accessing our platform, including background checks, identity verification, AML and KYC procedures, as well as risk assessments in accordance with regulatory requirements. Only verified users are permitted to trade or hold assets through our platform. After account activation, we provide a fiat gateway that enables clients to deposit and withdraw fiat currencies and convert between fiat and digital assets. We cooperate with authorized financial institutions to hold client fiat funds in segregated trust accounts with licensed banks. We collect service fees from the provision of on/off-ramp services.

Verified users can access our exchange platform to execute digital asset transactions, including spot trading and OTC services. Orders are automatically matched and executed through our internal matching engine. Assets required for trading are temporarily transferred through hot wallets to ensure liquidity. Upon execution, transactions are settled within our platform, and we collect commission fees based on transaction volume and type of service provided. We provide integrated settlement services within the same platform, ensuring that the transfer of digital assets and fiat funds occurs simultaneously on a delivery-versus-payment basis. This process minimizes counterparty risk and ensures transparency and efficiency across all transactions. Throughout the transaction lifecycle, we safeguard client assets under our licensed custody framework. At least 98% of client digital assets are stored in cold wallets protected by multi-signature and dual control approval procedures. Client fiat funds are held separately from our proprietary assets, and all client assets are fully segregated at all times. As of September 30, 2025, the digital assets held in custody amounted to HK\$17.9 billion, and fiat funds held in custody amounted to HK\$2.0 billion.

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Fiat funds flow between client trust accounts and our on/off-ramp gateway through licensed banking partners, while digital assets flow through hot wallets during transactions but are primarily stored in cold wallets under our custody system. We do not take proprietary positions or commingle client assets with our own funds. This end-to-end process ensures transparent business and fund flows, regulatory compliance, and robust asset protection, demonstrating our secure and compliant operating framework for digital asset transactions.

Our digital asset holding policy prioritizes mainstream tokens. Our investment strategy focuses on core assets such as BTC and ETH, and our holdings of these tokens are strategic in nature, reflecting our medium- to long-term investment outlook. Stablecoins such as USDT and USDC were primarily disposed of during the Track Record Period to fund our operating needs. In addition, altcoins received from fee income are regularly disposed of to minimize market risk, as these tokens fall outside our strategic allocation focus. The purchase or disposal of digital assets is proposed by our treasury team and approved by our chief financial officer. If the transaction amount is greater than US\$2 million, an additional approval of our chief executive officer is required. Major digital asset positions are reviewed by our chief financial officer at least on a monthly basis, who conducts ongoing discussions with our chief executive officer regarding overall risk exposure and the Group's digital asset allocation strategy.

### *Exchange services*

Our exchange services provide clients with licensed market access, institutional-grade security and seamless connectivity to custody, OTC and tokenisation services. We are one of the few exchanges offering fully compliant on/off ramp services with round-the-clock availability. In August 2023, we became the first VATP approved to serve both professional and retail investors, marking a regulatory milestone in Hong Kong's virtual asset market. As of September 30, 2025, our digital asset exchanges had facilitated HK\$1.3 trillion in cumulative spot trading volume, positioning us as an established licensed digital asset exchange provider in Asia.

Through deep integration with custody, OTC and portfolio solutions, our digital asset exchanges deliver a seamless user experience while offering distinct and differentiated value propositions:

- *Regulatory assurance.* We are taking active steps to secure licenses in several other major jurisdictions to support our global business. Our exchange services are offered by licensed entities in various jurisdictions, such as Hong Kong and Bermuda.
- *Fiat connectivity.* We offer compliant fiat on- and off-ramp channels through Standard Chartered Bank, ZA Bank and Deutsche Bank. As of June 30, 2025, clients could deposit and withdraw in 15 currencies across 32 countries, providing secure and efficient conversion between fiat and digital assets.

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- *Secure and convenient access.* Clients may trade through a user-friendly web platform or connect via industry-standard FIX, REST and WebSocket APIs, supporting both institutional strategies and retail investment such as quantitative and high-frequency trading.
- *Robust asset protection.* Client assets are safeguarded under institutional-grade measures, including segregation of assets through our custody services, as well as additional protections including withdrawal whitelists and limited hot wallet exposure. Since inception, no customer has ever lost funds on our platform due to security breaches. Our insurance premiums have steadily declined as we did not have any client asset incident.
- *Integrated ecosystem.* Trading, settlement and custody are directly linked within our platform, reducing reliance on external third parties and improving efficiency for clients.
- *Institutional-grade governance.* Our operations have obtained SOC 1 Type 2 and SOC 2 Type 2 attestations, demonstrating robust internal controls and aligning our exchange standards with those of leading traditional financial institutions.

The trading process begins when a client submits an order, either a limit order, which specifies the maximum or minimum price at which they are willing to trade, or a market order, which is executed immediately at the best available price. We apply a range of safeguard measures, such as price caps on market orders, to prevent trades from being executed at prices that deviate too far from the prevailing market rate. Once orders are received, they are matched through our exchange engine, which continuously pairs buy and sell orders. Throughout the process, real-time surveillance systems and pre-trade risk controls continuously monitor trading activities, helping us maintain 99.9% platform uptime and ensuring that markets remain orderly, transparent and fully compliant with Hong Kong's regulatory standards. In addition to providing exchange and OTC services, we also engage in trading of digital assets to dispose certain cryptocurrencies.

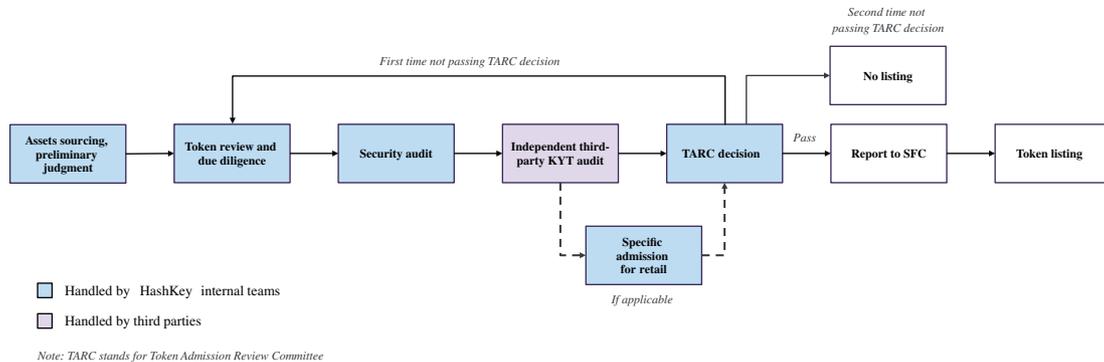
We generate revenue primarily from commission fees charged on each matched order on our regulated trading platforms. In all such transactions, we act as an agent facilitating trades between counterparties. Fee currency follows the settlement currency of the trade: crypto-to-crypto trades are typically charged in the asset received, while fiat-to-crypto trades are charged in fiat. Our fee schedules are tiered by volume and may differentiate between maker and taker orders; in certain markets we offer preferential rates or rebates to qualifying liquidity providers to promote order book depth and tighter spreads. In addition to commission fees, we also generate listing fees and service fees from our exchange services. We charge issuers a listing

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fee for the vetting, integration and listing of their tokens on our regulated trading platform, enabling market access and trading. These fees are typically received in digital assets. The chart below illustrates the token listing process:



The service fees mainly include withdrawal fees and membership fees. Withdrawal fees refer to the charges applied when customers transfer funds out of our platform. Membership fees represent the fees paid by the customers to enroll in a one-off, promotional membership program that offers discounts on the commissions applied to each completed transaction.

For operational liquidity management, we may collect trading fees in digital assets depending on the settlement preferences of clients. The altcoins and stablecoins generated from the normal course of business are disposed of on a regular basis. Disposal of altcoins is performed at least twice per quarter for any individual altcoins with a value exceeding the equivalent of US\$100,000. Disposal of stablecoins is subject to operation needs. This practice ensures sufficient cash liquidity while limiting our exposure to fair value fluctuations in digital assets. Core assets such as BTC and ETH, generated from normal course of business are retained for strategic in nature to reflect our medium- to long-term investment outlook.

We follow a structured approval process for onboarding new digital assets to our trading platform to ensure regulatory compliance and risk control. The process begins with asset sourcing and a preliminary assessment by our business development team, followed by a comprehensive token review that includes due diligence on the project background and legal compliance, a smart contract security audit, and a KYT review conducted by an independent third party. The findings are submitted to the token admission review committee (“TARC”) for a final decision. Only tokens approved by the TARC are reported to the SFC before listing. After listing, we continuously monitor the performance and compliance status of listed tokens, and any token with significant issues may be suspended or removed from trading.

As of June 30, 2025, we held digital assets with an aggregate value of approximately HK\$454.5 million in our proprietary accounts. Our holdings primarily comprised BTC and ETH, which together represented over 50% of the total portfolio, and major stablecoins such

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as USDT and USDC, which accounted for over 25% of the total portfolio. Our holdings in stablecoins are with minimal market risk, since they maintain a one-to-one peg with fiat currencies. The remainder consisted of other mainstream tokens, including SOL, ICP, AVAX and similar liquid assets.

### *OTC services*

We offer over-the-counter trading services as a licensed complement to our exchange platforms. Designed for large-scale or customized digital asset transactions, it provides clients with a compliant venue that delivers greater flexibility, confidentiality, and reduces market impact compared to order book trading. Direct integration with our custody services also ensures efficient settlement and lower counterparty risk, positioning our OTC services as an institutional-grade channel within our one-stop digital asset ecosystem. We act as a principal in OTC transactions and generate revenue from our OTC services primarily through the spread applied to quoted prices, which is recorded in the financial statement as commission income on a net basis. Digital assets received through our OTC transactions are typically not converted into fiat currencies upon receipt. The majority of such assets are stablecoins, including USDT and USDC, which are used to maintain a balanced pool of working capital in fiat, USDT and USDC for efficient trading and settlement. As stablecoins are designed to maintain a one-to-one peg with fiat currencies, our exposure to fair value risk in this regard is minimal.

Our OTC desk operates under our licensed entities, ensuring that all activities comply with applicable regulatory frameworks in Singapore and other jurisdictions where we operate. The service caters primarily to institutional and accredited investors seeking to execute large block trades in digital assets. Clients can request quotes on eligible virtual assets, typically the most liquid cryptocurrencies and stablecoins, and receive execution through a transparent request-for-quote process.

When a client initiates a trade, the desk provides a price quote based on prevailing market conditions. Once accepted, the trade is executed bilaterally. Settlement can be carried out either on-chain to approved wallets or through internal transfers within our licensed custody platform, which allows for near-instant settlement and reduces reliance on external third parties. All counterparties must undergo KYC and AML checks before trading, and audit trails are maintained for each transaction in line with our compliance standards.

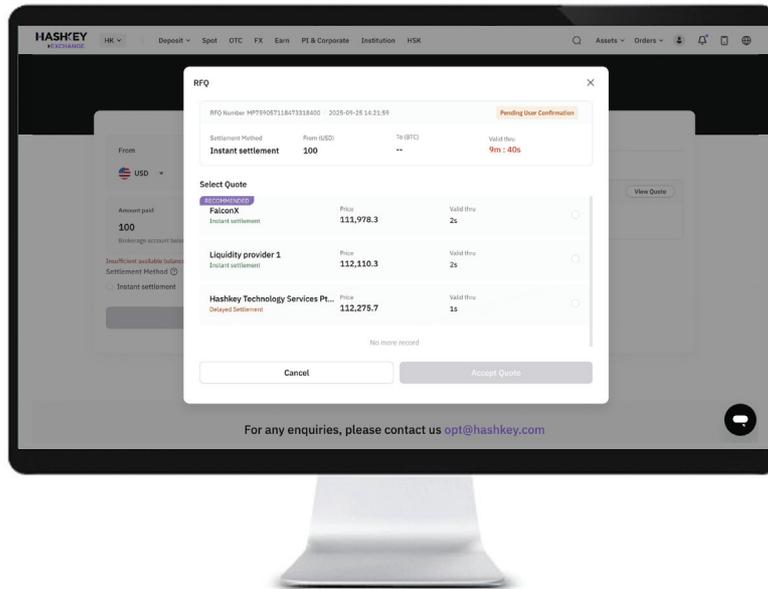
In September 2025, we launched the Marketplace function on HashKey Exchange to enhance the efficiency and transparency of OTC block trading. Our Marketplace enables institutional and professional investors to compare real-time quotes from multiple liquidity providers and settle transactions through either instant or deferred settlement modes. Our platform adopts an all-in pricing model, under which quotes incorporate all related costs, and

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supports automated processes covering trade confirmation, record generation and audit trail creation. Through the introduction of Marketplace, we further expanded our product suite and strengthened our capability to serve diverse trading needs under a regulated framework.



*OTC Marketplace Interface*

Our OTC services are designed to deliver clear benefits to institutional clients. By operating within a licensed and transparent framework, we provide our clients with confidence that their large or bespoke transactions are conducted in full regulatory compliance. The request-for-quote model ensures confidentiality and minimizes market impact, enabling clients to access competitive pricing even for sizable trades. Integration with our custody platform enables faster settlement and lower counterparty risk compared with traditional bilateral OTC channels. These advantages position our OTC services as a trusted venue for high-value digital asset transactions.

For our OTC services, we generate revenue primarily from the spread applied to quoted prices, which is recorded in the financial statement as commission income on a net basis, and to a lesser extent, we generate revenue from service fees, such as withdrawal fees.

### *Custody services*

We provide licensed institutional custody for digital assets through a licensed subsidiary in Hong Kong. This allows all client assets to be fully segregated from our own funds and safeguarded under stringent operational and compliance standards. Our custody operations have obtained SOC 1 Type 2 and SOC 2 Type 2 attestations, providing independent assurance that our internal controls meet international benchmarks. The platform is built to deliver the same level of rigor as leading traditional custodians, adapted for the digital asset environment. We act as an agent and generate revenue from a basic SaaS subscription fee and a tiered annual custody fee based on clients' assets under custody.

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To further safeguard client assets, our custodian storage arrangement incorporates comprehensive physical and system security controls. Access to the custodian facilities is limited to designated personnel under multi-factor authentication and badge entry requirements. Custodian areas are physically segregated from primary workspaces, and all access activities are recorded through a logging system retained on-site for at least one year and securely archived off-site for three years. CCTV cameras cover all entry points to custody safes, with footage stored for the same duration.

We maintain an automated monitoring system to oversee the movement and balance of client assets between hot and cold wallets. The system tracks hot wallet balances in real time to ensure operational sufficiency, monitors holdings against insurance coverage to prevent excess exposure, and generates alerts in the event of irregularities. In accordance with our internal policy, at least 98% of client digital assets are held in cold wallets, while the remaining portion is maintained in hot wallets for operational purposes. Only designated authorized personnel may release proceeds from wallets, subject to multi-layer internal approval procedures and segregation of duties.

For fiat funds, clients deposit fiat into designated client bank accounts, which are used for trading and settlement. After a transaction is completed, any applicable fees may be transferred from the client account to our operating account. When clients request withdrawals, fiat funds are transferred from the client bank accounts to their designated external bank accounts.

For digital assets, clients deposit their assets into client wallets within our custody system for trading purposes. During trading, asset ownership is updated internally on a virtual ledger to reflect the transaction results without requiring on-chain transfers for each trade. Transaction fees are settled from client wallets to our operating wallet. When clients withdraw digital assets, they are transferred from the client wallets to the clients' designated external wallets.

We maintain full segregation between clients' assets held in custody and our own funds. All client assets are safeguarded under our licensed custody subsidiary, HashKey Custody Services Limited, and are held in segregated wallets that are independent from our proprietary accounts. Client assets are stored through a combination of hot and cold wallets, each protected by multi-signature and dual-control approval mechanisms as well as HSM. Withdrawals or transfers from custody wallets can only be executed through strictly controlled approval procedures, ensuring that client assets cannot be used for any proprietary or operational purposes of our Company.

Cryptographic measures, including multi-signature technology and HSM, are employed to safeguard private keys, ensuring robust protection against unauthorized access and cyberattacks. Our custody platform is insured, providing sufficient coverage for both hot and cold wallets. Client fiat funds are held in segregated trust accounts with authorized banks, ensuring separation from digital assets in cold wallets. Fiat withdrawals are restricted to pre-approved bank accounts, while crypto withdrawals are limited to whitelisted wallet addresses verified through multi-factor authentication. This structure reduces the risk of theft,

fraud, or unauthorized transfer. Custody is directly integrated with our exchange and OTC platforms, allowing assets to be used for settlement without requiring external transfers, thereby improving efficiency and lowering operational risks.

For certain categories of assets on our platform, we charge service fees for our custody services periodically.

### **On-chain services**

We deliver a comprehensive suite of on-chain services that integrate blockchain staking infrastructure, tokenisation capabilities and blockchain-native development. Our institutional-grade staking services enable clients to participate directly in network staking, with assets safeguarded through segregated custody and robust slashing protection. As of September 30, 2025, we had HK\$29.0 billion of assets under staking, and HashKey Chain's total RWA value has achieved HK\$1.7 billion, positioning us as the largest staking services provider in Asia and the eighth largest globally, according to Frost & Sullivan. Far beyond traditional crypto trading or asset management, our services empower institutional investors and developers to participate securely in blockchain networks and to issue and manage compliant digital assets at scale.

By embedding compliance into the protocol layer and linking seamlessly with our licensed custody and exchange systems, we provide institutional investors and developers with a unique, future-ready platform, which positions us not only as the central hub connecting institutional finance and emerging digital markets, but also as a recognized leader in building the next generation of on-chain financial infrastructure.

Positioned as a core pillar of our ecosystem, our on-chain services are designed to bridge traditional finance with Web3 innovation by embedding compliance, scalability and institutional-grade connectivity at the very foundation, delivering the following key advantages:

- *Trusted infrastructure.* Underpinned by robust chain-level security, advanced AML monitoring and strong data privacy protection measures, compliance and monitoring functions are embedded directly into the protocol layer, supporting tokenisation, settlement and asset registry within a transparent and auditable framework.
- *Institutional staking solutions.* Our staking services go beyond secure custody by enabling clients to generate sustainable yields, participate in network staking and access diversified opportunities across leading blockchain protocols. Seamlessly integrated with our broader platform, staking serves as both a yield-generation tool and a strategic driver of long-term client engagement and ecosystem growth.

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- *Scalable innovation.* Our modular, cloud-based architecture allows for high-performance transactions and supports a wide range of digital assets, including stablecoins and tokenised funds, with the flexibility to evolve alongside market demand and regulatory developments.
- *Institutional integration.* Our on-chain services are seamlessly connected with our licensed custody, exchange and asset management, allowing customers to issue, manage and transact digital assets within a unified and regulated environment.
- *Future readiness.* As stablecoin regulation progresses and RWA tokenisation accelerates globally, our on-chain services are positioned as the trusted gateway for institutions entering the digital asset economy, laying the foundation for the next generation of compliant financial infrastructure.

### *Staking services*

Our staking services are built around enterprise-grade staking, forming the technological foundation of our on-chain operations. Staking services involve operating and maintaining blockchain nodes to validate transactions and secure networks for quality investors. Our infrastructure is designed with adequate backup redundancy, high-availability failover mechanisms and active slashing protection, ensuring institutional-grade reliability and security. We deliver institutional-grade staking services through HashKey Cloud, which is the first provider approved by the SFC to support ETH ETF staking services in Hong Kong. Designed for institutional clients, HashKey Cloud provides professional validator and staking operation services. Its solutions ensure verifiable on-chain performance, transparent governance, auditable operational processes and robust risk management. The service enables clients to earn staking rewards without affecting asset ownership, supported by insurance coverage, redundancy measures and API-based reporting systems that ensure operational safety and control. Institutional and ETF clients may delegate assets directly to our validator nodes through our custody platform, without transferring assets to third-party wallets, thereby combining staking efficiency with regulatory compliance. Our validator nodes are blockchain network nodes that perform transaction validation and block attestation under proof-of-stake consensus. We need to obtain additional licenses to provide staking services for assets under custody. Our monetization rate for staking services was 0.7%, 0.4%, 0.3%, 0.3% and 0.3% in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. Our average assets under staking increased from HK\$10.2 billion in 2022 to HK\$11.3 billion in 2023, and further to HK\$25.7 billion in 2024. Our assets under staking reached HK\$29.0 billion as of September 30, 2025.

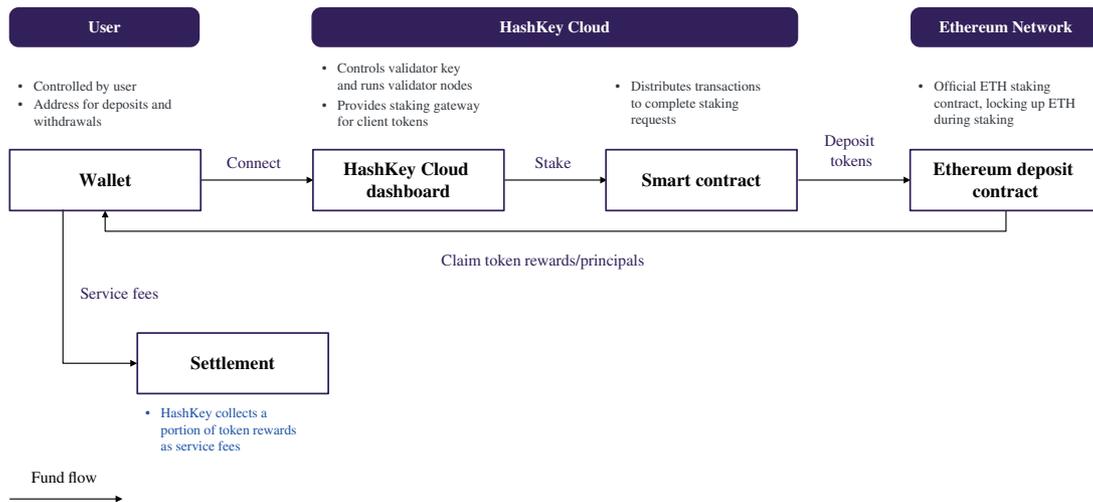
In April 2025, the SFC approved the launch of staking services for spot ETF in Hong Kong, marking a regulatory breakthrough for the industry. Our trading platform, recognized for its proven track record and secured infrastructure, was among the first licensed venues authorized to support such products. To support this development, we launched ETF Staking Pro, a turnkey solution designed for ETF issuers and custodians seeking compliant, end-to-end staking operations. Through HashKey Cloud, we became the first providers globally to offer

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staking functionality at the initial launch of spot ETH ETFs, with historical peak AUM of more than US\$4 billion, which underscores our leadership in delivering licensed, institutional-grade staking infrastructure and further strengthens our position at the forefront of compliant digital asset innovation. The following diagram sets forth an overview of the business and fund flow chart of our staking services.



The process begins with client assets being placed in segregated accounts within our licensed custody platform. These assets remain within the custody chain throughout the staking process, ensuring continuous investor protection and regulatory compliance. Once clients designate specific assets for staking, instructions are securely transmitted from our custody platform to validator nodes operated by us through the HashKey Cloud dashboard. We control the validator keys and operate validator nodes that participate in proof-of-stake consensus, where validator keys are the cryptographic credentials used to sign and authenticate validation activities on the blockchain. Validator nodes confirm transactions, propose new blocks and help secure the blockchain. To mitigate operational risks, our validator infrastructure is supported by geographically redundant data centers, automated failover mechanisms and active slashing protection systems.

Client-designated tokens are staked through smart contracts deployed on blockchain networks. For ETH staking, client tokens are deposited into the official ETH deposit contract through our smart contract gateway, where the tokens are locked during the staking period. HashKey Cloud distributes transactions and coordinates node operations to complete staking requests on behalf of clients.

Our staking and node validation services are essentially the same in nature, where we operate validator nodes to verify transactions and secure blockchain networks. The only difference lies in the revenue model: staking revenue comes from sharing on-chain rewards, which are typically paid in the chain's native tokens such as ETH, while node validation revenue is earned through fixed monthly fees per node, generally settled in stablecoins. During the Track Record Period, we generated revenue predominately from the staking revenue. As our validator nodes perform validation and block proposal functions within proof-of-stake

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networks, staking rewards are generated on-chain as part of the network's consensus mechanism. We continuously monitor validator performance, reward accruals and potential risk exposures through automated systems. At predefined intervals, staking rewards are claimed on-chain and distributed back to clients' custody accounts through our settlement system. We collect a portion of the token rewards as service fees, while clients maintain custody of both principal and rewards.

Client tokens flow from their wallets within our system to custody platform and then to the blockchain network via smart contracts. Rewards and principals are subsequently claimed and credited back to clients' wallets within the custody platform. Client assets remain fully within the regulated custody framework throughout the staking process, which is conducted in a transparent, auditable and compliant manner under our licensed operations.

Our service structure allows ETF sponsors and custodians to access the yield potential of staking while relying on a fully regulated framework. It combines the benefits of secure custody, transparent operations, and institutional-grade validator performance.

Our on-chain services revenue primarily comes from staking services, where we act as an agent on facilitating staking activities and share blockchain rewards with users for participating in staking activities. Additional income may be earned from management and infrastructure fees for clients that require dedicated staking services or enhanced reporting packages. This ensures alignment between our incentives and client returns, while supporting the scalability of institutional staking.

During the Track Record Period, our staking business generated on-chain rewards with annualized yields ranging from approximately 5% to 9%, and our revenue-sharing ratio with clients was around 5% to 10%. Based on these parameters and the amount of assets under staking, our service fee income from staking can be reconciled to the staking revenue recorded for each year and period during the Track Record Period. We also earn limited staking income from our proprietary assets, which form a minor part of our overall staking activities.

### *Tokenisation services*

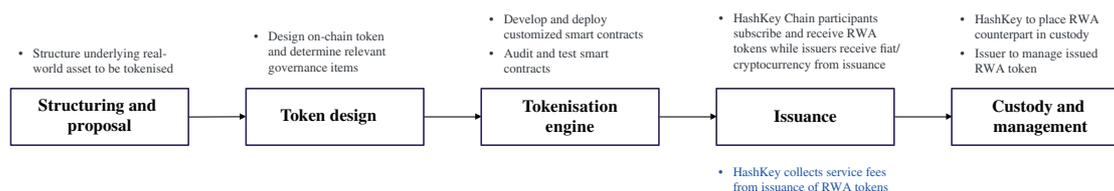
Our tokenisation services allow market participants to digitalize real-world assets, issue compliant tokens and unlock new forms of liquidity and investment opportunities. Beyond simple token issuance, we also provide a full suite of complementary services that covers asset structuring, compliant token design, blockchain deployment, exchange distribution, and licensed custody. This enables traditional financial products to move on-chain while embedding compliance and transparency at every stage. Currently, since the tokenisation services are in the early stage, we need to communicate with the relevant regulatory authorities in the applicable jurisdictions before rolling out new tokenisation projects. We supported leading asset managers in launching the world's first tokenised money market fund, positioning tokenisation as a viable pathway for regulated fund products. Our RWA projects primarily involve financial assets as underlying assets, and we are actively expanding into new categories such as precious metals, computing power and green energy. Clients for our

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tokenisation services are mainly sourced through established partnerships with financial institutions, leveraging our strong brand reputation and industry recognition, as well as referrals from market participants. In addition, our team of seasoned professionals in the digital asset industry has also attracted direct invitations and collaborations from institutional partners. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, revenue generated from tokenisation service was nil, HK\$0.4 million, HK\$7.0 million, HK\$5.8 million and HK\$1.1 million, respectively. Prior to 2025, our tokenisation business mainly focused on tokenising assets that potentially could be traded on our trading platform. Thus, the related revenue was classified under Transaction Facilitation Services – Service Fee Income. In 2025, our tokenisation business shifted its focus towards tokenising real-world financial assets on-chain, as we saw the emerging trend of digital-twins assets. Accordingly, the related revenue started to be classified under On-chain Services – Others in 2025. In the future, we plan to tokenize the real-world financial assets through HashKey Chain, and we will monetize through the gas fees. The following diagram sets forth an overview of the business and fund flow chart of our tokenisation services.



We work with issuers to identify and structure the underlying real-world assets to be tokenised. This stage involves assessing the asset’s characteristics, valuation approach, legal ownership and compliance requirements to ensure that the proposed tokenisation framework aligns with applicable regulatory standards. Once the asset structure is confirmed, we design the on-chain token model, determine relevant governance parameters, and define token attributes such as supply, distribution, and redemption rules. Governance mechanisms, including voting or consensus parameters where applicable, are defined at this stage to ensure transparent and rule-based asset representation on-chain.

We develop, audit and deploy customised smart contracts through our proprietary tokenisation engine. The smart contracts automate the representation, transferability and redemption of tokenised assets. Before deployment, all smart contracts undergo technical testing and security audits to ensure integrity, reliability and compliance with blockchain protocol requirements. Upon completion of tokenisation, investors may subscribe to and receive RWA tokens through our platform, while issuers receive corresponding fiat proceeds from the issuance. Transactions are executed and recorded on-chain. We collect service fees from the issuance of RWA tokens, reflecting our role in providing a secure and compliant tokenisation infrastructure.

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Following issuance, the real-world asset counterpart of the token is placed under custody within our licensed custody framework to ensure asset integrity and segregation. The issuer manages the ongoing lifecycle of the issued RWA tokens, including redemption, corporate actions and related disclosures, while we continue to oversee the safekeeping of the corresponding real-world assets. Proceeds from token subscriptions flow directly from investors to issuers through designated accounts under a transparent, auditable process. We do not commingle client funds or assets and act solely as a technology and custody service provider. All tokenisation and settlement activities are conducted within our licensed and regulated infrastructure, ensuring end-to-end traceability, compliance, and asset security.

Our tokenisation services are conducted under the regulatory framework established by the SFC and other relevant authorities in Hong Kong. On November 2, 2023, the SFC issued the “*Circular on Tokenisation of SFC-Authorised Investment Products*” (“**The Circular**”), which provides the framework for tokenisation of SFC-authorized investment products offered to the public in Hong Kong. The Circular sets out the obligations of product providers, disclosure standards for offering documents, requirements for customer due diligence and suitability assessments and pre-transaction procedures. On the same date, the SFC also issued the “*Circular on Intermediaries Engaging in Tokenised Securities-Related Activities*”, which provides detailed regulatory guidance for financial institutions and intermediaries engaging in tokenisation and distribution of securities. It outlines key regulatory requirements, including the core obligations of intermediaries, business commencement requirements and overarching regulatory principles applicable to tokenised securities. In addition to the principal regulations under the SFO and AMLO governing virtual asset activities in Hong Kong, our operations are also subject to supplementary regulatory instruments, including guidelines, circulars and position statements issued by the SFC, FSTB, HKMA and other authorities. These cover topics such as tokenisation of real-world assets, custody and operation of virtual assets, investor protection, risk management standards, cross-sector cooperation, technology adoption and ongoing compliance obligations for virtual asset service providers. For details, please refer to “Regulatory Overview — Circular to announce the SFC Regulatory Sandbox” and “Regulatory Overview — Other Guidelines, Provisions, Statements, and Circulars that are Applicable to our Virtual Asset activities.”

Acting as an agent, we generate revenue from our tokenisation services primarily through project-based service fees charged to clients seeking to tokenise real-world assets. The fees are determined based on the scale and complexity of each project and may also include token-based consideration upon completion of token generation events. We earn such service income by providing end-to-end tokenisation solutions, encompassing advisory, technical support and implementation services.

***HashKey Chain***

HashKey Chain is a next-generation Ethereum Layer 2 scaling network developed by us, designed to provide efficient, secure and compliant infrastructure for the global digital asset economy. Built on leading Layer 2 technologies, HashKey Chain functions as an integrated platform connecting RWAs, stablecoins and a broad spectrum of decentralized applications and services. Our HashKey Chain is selected by major financial institutions as the infrastructure for tokenised securities, underscoring both the technical robustness and the regulatory acceptance of our on-chain framework, reinforcing our leadership in building compliant tokenisation infrastructure for institutional finance. We also plan to launch Crypto-as-a-Service based on our HashKey Chain, to provide businesses with readily-available infrastructure and tools, such as APIs and smart contract protocols. This enables them to integrate crypto functionalities into their own products without building complex systems from scratch.

Acting as an agent, we generate service fee income from HashKey Chain services primarily through gas fee income, which is linked to transaction volume and count, smart contract deployment fees, and Layer 2 related services. In particular, revenue from our Layer 2 ecosystem services further comprises income from core CaaS offerings, cross-chain bridge fees, oracle services, KYC and AML solutions, full-node API access and privacy computing services.

***Web3 Events***

We deliver comprehensive event hosting services of large-scale Web3 conferences, such as program curation, speaker engagement, exhibitor coordination and overall event operations. It acts as a crucial catalyst for the industry and our on-chain services, mainly in discovering disruptive technologies, promoting business opportunities and creating significant on-chain values. We generate revenue from organization of Web3 events primarily through ticket sales and sponsorship income.

***Asset management services***

We offer institutional clients access to digital asset investment opportunities, spanning venture capital and secondary fund investments. As of September 30, 2025, we had HK\$7.8 billion in assets under management since inception, and are the largest Asian, and Hong Kong-based asset management service provider in terms of AUM as of December 31, 2024, according to Frost & Sullivan. Our strong investment track record is demonstrated by HashKey Blockchain Investment Fund, which delivered a multiple on invested capital of more than 10x.

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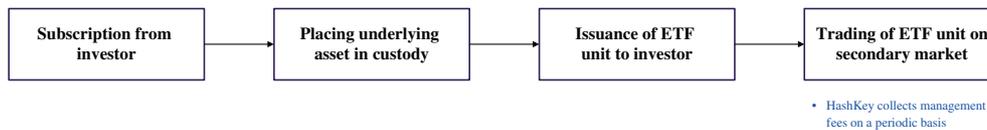
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By embedding asset management within our broader ecosystem, we deepen client engagement and enhance our overall value proposition. The following diagram sets forth an overview of the business and fund flow chart of our asset management services.

### HashKey Venture Investments



### HashKey ETF



HashKey Venture Investments focus on early- and growth-stage blockchain and digital asset companies. We raise capital commitments from qualified investors and limited partners, and conduct rigorous due diligence to identify investment opportunities. All proposed investments are reviewed and approved by our investment committee before fund deployment. During the investment period, we deploy funds into portfolio companies through equity or token investments and collect management fees in accordance with fund agreements. Upon fund exit through disposals, token liquidations or other liquidity events, proceeds are distributed to investors, and we receive carried interest for returns exceeding the agreed performance hurdle. All fund inflows, investments, and distributions are processed through designated custodian and banking accounts to ensure segregation of client funds and compliance with applicable regulatory requirements.

HashKey Liquid Funds primarily invest in actively managed digital asset portfolios and exchange-traded products. Investors subscribe to fund units or ETF products, and subscription proceeds are deposited into segregated custody or trust accounts. The proceeds are then used to acquire underlying assets, which are placed in custody under our licensed custodial framework. ETF units or fund interests are issued to investors, representing their proportional entitlement in the underlying portfolio. These ETF units can be traded on the secondary market, providing liquidity to investors. We collect management fees on a periodic basis for ongoing portfolio management and operational oversight. All subscriptions, redemptions and settlements are conducted through authorized custodians and regulated financial institutions, ensuring transparency, compliance, and the safekeeping of client assets.

Our flagship funds are structured as limited partnerships incorporated in the Cayman Islands, with HashKey Capital Limited serving as both the general partner and investment manager. Each fund operates under a limited partnership agreement that defines its investment objectives, governance framework, life cycle and distribution arrangements. We established our Fund I in 2018, the investment period of which was concluded in 2021. Our Fund I was primarily focused on BTC, ETH and other types of blockchain projects. HashKey Fintech II follows a “5+2” structure, with a potential two-year extension subject to investor consent. Similarly, HashKey Fintech III follows a “5+3” structure, with a potential two-year extension

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also subject to investor consent. HashKey Fintech II primarily invests in early-stage blockchain infrastructure projects, while HashKey Fintech III focuses on scalable Web3, fintech and tokenization opportunities. As of September 30, 2025, HashKey Fintech II had deployed approximately HK\$1,127.5 million across a diversified portfolio comprising digital assets, equities, loan agreements, preferred stock, private funds, SAFEs, SAFTs and warrants, which together had an aggregate fair value of approximately HK\$1,049.8 million, and recorded cumulative distributions of around HK\$318.8 million. As of September 30, 2025, HashKey Fintech III had deployed around HK\$3,856.9 million, mainly into digital assets, equities, loan agreements, preferred stock, private funds, SAFEs, SAFTs and warrants, which had a combined fair value of approximately HK\$4,681.2 million. As of September 30, 2025, HashKey Fintech III invested a total of HK\$62.2 million in our Company, representing approximately 1.3% of the total assets under management. Both funds share a consistent governance and management structure. The venture capital funds adopt a commitment-based model, whereas the secondary market funds are open-ended and managed based on AUM.

The investors of our flagship funds include licensed financial institutions, corporates, family offices and high-net-worth individuals from Hong Kong, Singapore, Japan and other international markets. All investors are subject to KYC and AML procedures to identify their ultimate beneficial owners (“UBOs”) and ensure compliance with applicable regulatory requirements. As of September 30, 2025, HashKey Fintech II comprised a total of 10 limited partners, including six high-net-worth individuals, three institutional investors and one fund of funds. HashKey Fintech III comprised 102 limited partners, including 50 high-net-worth individuals, 20 corporate investors, 14 family offices, 12 funds of funds, three endowment funds and three corporate venture capital investors. As of September 30, 2025, our funds collectively managed HK\$5.7 billion in AUM across two flagship funds and several sub-funds, with over 400 underlying investments since inception.

Our venture capital funds primarily invest in blockchain infrastructure, fintech and Web3 projects, including equity interests in Layer-2 scaling, digital asset exchanges and tokenisation infrastructure that complement our ecosystem and regulated digital asset platform. As of June 30, 2025, the top five investments of HashKey Fintech III consisted of BTC, ETH, and three unlisted equity investments in leading Web3 infrastructure and digital asset service companies, representing more than 30% of its total AUM. Our secondary market funds focus on multi-strategy portfolios, such as yield enhancement, ETFs, and quantitative strategies, offering diversified exposure to the digital asset market.

We offer two exchange-traded funds, namely the Bosera HashKey Bitcoin ETF and the Bosera HashKey Ether ETF (the “ETFs”). Both products adopt a passive investment strategy, with the Bitcoin ETF investing solely in BTC and the Ether ETF investing solely in ETH. These ETFs are authorised and listed on the Hong Kong Stock Exchange and are not launched on our own platform. We do not acquire ETF units nor subscribe them on behalf of clients. As of December 31, 2024 and June 30, 2025, our HashKey Fintech III’s position in the ETFs amounted to HK\$990.5 million and HK\$1,119.4 million, respectively. Excepts for those disclosed, we do not have any cross-holding among our venture capital funds or secondary market funds.

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The following table sets forth the financial and operating metrics of our funds during the Track Record Period.

	Year ended December 31,			Six months ended June 30, 2025
	2022	2023	2024	
	<i>(HK\$ in millions, except percentages)</i>			
<b>Revenue</b> . . . . .	<b>72.2</b>	<b>78.9</b>	<b>78.2</b>	<b>37.8</b>
<b>Venture capital funds</b> . . . . .	<b>72.2</b>	<b>78.9</b>	<b>72.1</b>	<b>34.1</b>
<b>Secondary market funds</b> . . . . .	<b>N/A</b>	<b>N/A</b>	<b>6.1</b>	<b>3.7</b>
<b>Annualized monetization rate</b> . . . . .	<b>2.0%</b>	<b>1.5%</b>	<b>1.1%</b>	<b>1.1%</b>
<b>Total AUM</b> . . . . .	<b>3,545.1</b>	<b>5,029.3</b>	<b>7,142.6</b>	<b>7,116.0</b>
<b>Venture capital funds</b> . . . . .	<b>3,545.1</b>	<b>4,973.0</b>	<b>5,490.4</b>	<b>5,490.4</b>
HashKey Fintech II . . . . .	1,145.0	1,424.0	1,525.6	1,525.6
HashKey Fintech III . . . . .	2,399.4	3,549.0	3,964.8	3,964.8
<b>Secondary market funds</b> . . . . .	<b>N/A</b>	<b>56.3</b>	<b>1,652.2</b>	<b>1,625.6</b>
BTC and ETH ETFs . . . . .	N/A	N/A	1,323.9	1,336.5
Fixed Income Fund . . . . .	N/A	N/A	222.7	200.9
Active Investment Fund . . . . .	N/A	56.3	105.5	88.3
<b>VC Fund Commitment</b> . . . . .	<b>3,876.5</b>	<b>3,876.5</b>	<b>3,876.5</b>	<b>3,876.5</b>
HashKey Fintech II . . . . .	211.0	211.0	211.0	211.0
HashKey Fintech III . . . . .	3,665.5	3,665.5	3,665.5	3,665.5
<b>Management fee rate</b>				
<b>Venture capital funds</b> . . . . .	<b>1.9%</b>	<b>2.0%</b>	<b>1.9%</b>	<b>1.8%</b>
<b>Secondary market funds</b> . . . . .	<b>N/A</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.5%</b>

The Active Investment Fund is issued through a segregated portfolio of HashKey Digital Investment Fund SPC in the Cayman Islands. HashKey Capital Limited (Type 4 & Type 9 licensed) acts as the investment manager and is responsible for managing the portfolio and engaging with investors. The investment team executes all underlying digital asset trades through institutional accounts, primarily within whitelist tokens, while any non-whitelist or derivative investment requires prior investment committee approval. The Fixed Income Fund is issued by HashKey Fintech Opportunities Limited, a professional fund incorporated in the British Virgin Islands. HashKey Capital Management (BVI) Limited serves as the discretionary investment manager and directly manages the portfolio and executes all investment transactions. All trades and custody arrangements are carried out in the name of the fund. The BTC and ETH ETFs are issued by Bosera Global Exchange Traded Funds Series Open-ended Fund Company in Hong Kong. Bosera Asset Management (International) Co., Limited acts as the manager and primary point of contact for investors, while HashKey Capital Limited serves

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as the sub-investment manager. Bosera executes the underlying digital asset purchases during Hong Kong trading hours, and HashKey Capital executes during U.S. trading hours. Both parties jointly manage the ETF portfolios within their respective roles.

The venture capital funds have consistently accounted for the majority of management fee revenue, contributing HK\$72.2 million, HK\$78.9 million, HK\$72.1 million and HK\$34.1 million in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively. The secondary market funds demonstrated rapid growth, with management fee revenue of nil, nil, HK\$6.1 million and HK\$3.7 million in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively.

Management fees are charged according to fund type and scale. Management fees for our venture capital funds are charged based on committed capital, while our other fund products charge management fees based on assets under management. Particularly, for venture capital funds, fees are calculated as a percentage of committed capital, generally ranging from 1.8% to 2.0%. For secondary market funds, fees are charged as a percentage of AUM, typically ranging from 0.4% to 0.5%, depending on fund strategy and liquidity profile. Both venture capital funds and secondary market funds may include performance-based fees, such as carried interest or incentive fees, determined in accordance with each fund's offering documents and benchmarked against international standards.

### *Venture capital solutions*

We provide institutional investors with access to blockchain and digital asset innovation through our venture capital business. As of September 30, 2025, we have managed HK\$5.7 billion in client assets since inception and have made over 400 investments across 2 flagship funds. This makes us one of the earliest and most established institutional investors in Asia's blockchain industry.

Our investment approach combines deep sector expertise with global research and due diligence capabilities. With teams based in Hong Kong, Singapore and Tokyo, we identify opportunities across Asia, North America and Europe. By operating under a regulated framework, we offer institutions a professional and compliant channel to access venture opportunities that would otherwise be difficult to reach. Leveraging our global network, we are able to source deals while maintaining rigorous governance and risk management. We have also built a track record of supporting leading blockchain companies at early stages and helping them scale. Many of our portfolio companies have since become industry leaders, validating our long-term investment thesis.

For institutional investors, our venture capital solutions provide an opportunity to participate in the innovation frontier of Web3 and digital assets within a licensed and professionally managed framework. We reduce operational risk through compliance and fiduciary oversight while enabling exposure to high-growth opportunities. At the same time, portfolio companies benefit from our broader ecosystem, including licensed exchange, custody, and tokenisation services, which helps them achieve compliant market access and liquidity.

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We generate service fee income from our venture capital solutions on an agent basis primarily through:

- *Management fees.* Charged as a percentage of committed or invested capital, it provides a stable and recurring revenue stream that supports the continuity of our operations; and
- *Performance-based carried interest.* Earned when portfolio companies achieve successful exits or deliver returns above agreed benchmarks, it ensures that our success is directly tied to creating value for our investors.

This model ensures a balance between stable operational income and performance-driven upside, reinforcing long-term alignment with institutional clients. During the Track Record Period, our venture capital funds recorded AUM of HK\$3,545.1 million, HK\$4,973.0 million, HK\$5,490.4 million and HK\$5,490.4 million as of December 31, 2022, 2023, 2024 and June 30, 2025, representing the majority of our total AUM during the same period. Our venture capital funds consistently accounted for the majority of management fee income during the Track Record Period, contributing revenue of HK\$72.2 million, HK\$78.9 million, HK\$72.1 million and HK\$34.1 million in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively.

### *Secondary market fund solutions*

Our secondary market fund solutions combine passive and active digital asset investment products to provide institutions with compliant, diversified and efficient exposure to the sector. Through passive index-tracking portfolios, we offer long-term, cost-effective access to the digital asset market, while our actively managed strategies leverage institutional-grade infrastructure to pursue excess returns under robust compliance and risk controls. As one of the earliest licensed managers to launch SFC-approved funds directly investing in cryptocurrencies, we have established a position in delivering licensed and transparent digital asset investment channels for global clients.

We generate service fee income from our secondary market fund solutions on an agent basis primarily through management fees calculated as a percentage of assets under management, providing a stable, transparent and recurring income stream. In addition, for actively managed strategies, we may earn performance fees when returns exceed predefined benchmarks or hurdle rates. During the Track Record Period, our secondary market funds recorded AUM of nil, HK\$56.3 million, HK\$1,652.2 million and HK\$1,625.6 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. Our secondary market funds demonstrated a rapid expansion during the Track Record Period, with management fee income increasing in line with AUM growth, contributing revenue of nil, nil, HK\$6.1 million and HK\$3.7 million in 2022, 2023, 2024 and the six months ended June 30, 2025, respectively.

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### *Passive investment solutions*

Our passive investment products focus on index-tracking portfolios that mirror predefined benchmarks, such as large-cap cryptocurrency indices or sector-specific baskets. Portfolios are rebalanced periodically in line with the index methodology, executed through our trading systems and safeguarded within licensed custody accounts. These passive investment solutions allow clients to achieve diversified market exposure without the burden of daily management.

Our passive investment solutions are particularly attractive to institutions seeking cost-effective, long-term exposure to the digital asset market. HashKey Liquid Funds is our diversified crypto fund management business, offering ETFs, and index passive funds. We provide institutions with access to regulated liquid products, such as the HashKey Digital Investment Fund and the HashKey FTSE Digital Asset Top 20 Index Fund. In collaboration with Bosera, we launched the Bosera HashKey Bitcoin ETF (3008.HK) and the Bosera HashKey Ether ETF (3009.HK), which were the second largest spot BTC and ETH ETFs in Asia as of July 2024, further expanding our suite of regulated passive investment products.

The Bosera HashKey Bitcoin ETF and Bosera HashKey Ether ETF are issued by Bosera Global Exchange Traded Funds Series Open-ended Fund Company. The ETFs adopt a co-management structure under which the manager, Bosera Asset Management (International) Co., Limited, is responsible for the overall operation and compliance of the funds, while the sub-investment manager, HashKey Capital Limited, provides digital asset expertise and supports portfolio management. The manager purchases the underlying digital assets during Hong Kong trading hours, and the sub-investment manager purchases the underlying assets during US trading hours.

### *Active investment solutions*

For clients aiming to capture additional returns beyond market benchmarks, we provide actively managed portfolios driven by quantitative models and discretionary oversight. These strategies incorporate signals such as price momentum, volatility and blockchain activity, with execution carried out through our low-latency trading infrastructure to minimize slippage and ensure precision.

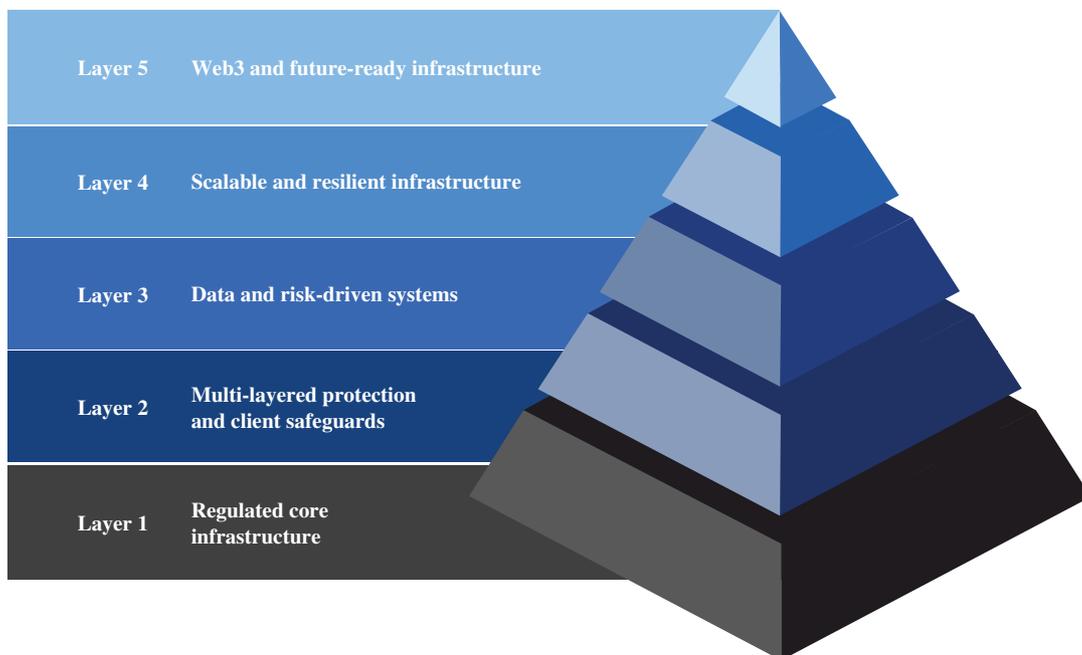
The value proposition lies in balancing return potential with robust compliance and risk management. Clients benefit from institutional-grade controls, transparent reporting, and the opportunity to achieve meaningful returns with active investment strategies. Through our comprehensive investment solutions, we manage a broad range of investment products using active strategies.

## OUR TECHNOLOGICAL FOUNDATION

We have developed a unified and modular technology architecture that underpins the full spectrum of our digital asset services. This technology stack has evolved from foundational components to a dynamic, multi-layered platform, supporting institutional-grade security, regulatory compliance, and scalable innovation across global jurisdictions. Our technology strategy is designed not only to meet the high standards of today’s regulated financial markets, but to anticipate the needs of future decentralized economy.

Research and development (R&D) is at the heart of our technological innovation and long-term growth. Our R&D efforts are focused on advancing digital asset technologies, enhancing regulatory compliance, and continuously improving system security and scalability. We adopt a collaborative, multi-disciplinary approach to R&D, leveraging expertise from blockchain development, cryptography, data science and financial regulation. Our R&D team is dedicated to pioneering solutions that align with both current market needs and future demands in the decentralized economy. We prioritize research in key areas such as scalable blockchain infrastructure, advanced compliance tools and next-generation DeFi protocols. As of June 30, 2025, our R&D capacity was supported through a combination of in-house personnel and external collaboration, totaling 220 R&D personnel, approximately 14% of which hold a master’s degree or higher. Our core R&D team has an average professional experience of over 4 years’ experience in the blockchain industry.

Through continuous investment in R&D, we aim to stay ahead of technological advancements, ensuring that our platform remains secure, compliant, and adaptable to evolving regulatory frameworks across global jurisdictions. This commitment enables us to provide innovative solutions to institutional clients while fostering trust and ensuring long-term sustainability in a rapidly changing digital asset landscape.



**Level one: regulated core infrastructure**

At the foundation of our platform lies a regulated and secure infrastructure designed for institutional resilience. Our licensed exchange and custody systems are fully integrated, allowing transactions to be processed within a compliant environment without reliance on unregulated third parties. All client assets are safeguarded in segregated accounts, with access governed by multi-factor authentication and hardware security modules (“HSM”).

Compliance processes, including KYC/AML screening and transaction monitoring, are embedded directly into our operations, in line with standards set by the Hong Kong SFC and other regulators. This regulatory-native approach ensures that every transaction flow is transparent, auditable, and aligned with applicable laws.

**Level two: multi-layered protection and client safeguards**

Our technology infrastructure is purpose-built to withstand cyberattacks, ensuring that client assets remain secure and inaccessible to hackers. Security is embedded across every layer of our operations: our licensed custody and exchange platforms are safeguarded with segregated accounts, multi-factor authentication, multi-signature protocols, and HSM, creating multiple lines of defense that make unauthorized access virtually impossible. We have also obtained internationally recognized certifications, including ISO 27001, ISO 27701 and SOC 2 Type 2, which independently validate the strength of our information security, privacy protection, and system reliability. These measures provide assurance that our systems are engineered to resist intrusion and maintain continuous, uncompromised operations.

Furthermore, our infrastructure incorporates advanced cyber defense capabilities, including real-time monitoring, anomaly detection and proactive threat intelligence, enabling us to detect and neutralize malicious activity before it poses a risk. Supported by multi-cloud deployment, disaster recovery readiness and elastic scaling, our systems ensure maximum resilience and uptime, even under adverse conditions. Together, these defenses establish a comprehensive security framework that protects our platform while delivering the level of protection, continuity, and trust that institutional investors demand.

**Level three: data and risk-driven systems**

Data is central to our technology framework. Our systems aggregate and monitor both on-chain and off-chain information to support real-time risk management, liquidity analysis and market surveillance. These data pipelines power transaction monitoring, anomaly detection and compliance reporting, helping to identify risks proactively. We have also developed diverse compliance tools, such as behavioral analytics for suspicious activity detection and predictive models for liquidity forecasting, which enhance our ability to manage risk and maintain platform integrity.

### **Level four: scalable and resilient infrastructure**

To support growth across geographies and services, our backend infrastructure is deployed across multiple cloud environments and enterprise-grade data centers, with automated failover, disaster recovery and horizontal scaling protocols in place. This design allows us to introduce new services such as additional market pairs, asset classes or compliance modules with minimal friction. APIs act as the connective layer, enabling seamless interaction between custody, exchange, OTC and asset management services. This modularity strengthens our ability to scale operations as institutional adoption of digital assets accelerates.

### **Level five: Web3 and future-ready infrastructure**

At the frontier of our technology stack, we have established Web3 infrastructure designed for institutional adoption. This includes operating high-availability blockchain nodes for major public networks such as Ethereum and Bitcoin. These tools enable institutional clients to securely manage digital assets, execute transactions with customizable approval policies, and integrate blockchain functions into their existing systems.

In addition, HashKey Chain, our Ethereum Layer 2 network, is optimized for regulated financial use cases such as tokenisation, settlement, and asset registry. By embedding compliance and monitoring features directly into the chain, HashKey Chain provides a unique infrastructure for digital asset workflows within Asia's financial markets.

Together with our gas token of HashKey Chain ("**HSK**"), these infrastructure components allow us to bridge Web3 innovation with licensed financial markets. By embedding compliance and governance at the protocol level, we provide a unique platform for institutions to engage with decentralized networks in a secure and regulated manner.

## **OUR ECOSYSTEM PARTICIPANTS**

We have built a fully integrated ecosystem that delivers a comprehensive suite of services for institutional clients, retail users, Web3 projects and developers, and business partners. Our platform connects all stakeholders in a seamless and compliant environment, equipping them with the tools needed to participate and thrive in the digital asset economy.

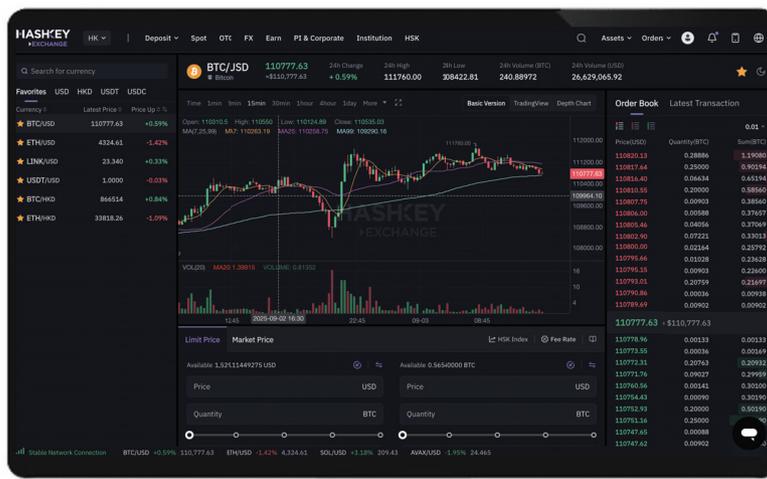
At the core of this ecosystem is a powerful, self-reinforcing network effect. As more participants join, trading volumes and service demand grow, further increasing the value of the platform for everyone. By offering a one-stop solution for digital assets, we create synergies that benefit investors, technology builders, and financial partners alike.

## Institutional clients

Institutional clients are the cornerstone of our ecosystem, requiring secure, compliant, and scalable solutions to manage digital assets effectively. Through our platform, these clients gain access to a full lifecycle of services, including institutional-grade custody, OTC and exchange trading, and regulatory-friendly investment products. During the Track Record Period, a majority of our trading volume is contributed by institutional clients, underscoring the significant role they play in driving the overall activity on our platform.

Our infrastructure ensures deep liquidity, efficient execution and seamless asset management, while strict compliance standards allow institutions to operate with confidence in a regulated environment. By combining security, regulatory rigor and operational excellence, we empower institutions to navigate the digital asset market with assurance and efficiency.

The below graphic shows the order book trading interface, which can serve our institutional clients:



Order Book Interface (Institutional User)

## Retail users

Retail users represent a strategically important segment for driving long-term adoption of digital assets.

Through our one-stop platform, they enjoy a seamless experience that brings together the full spectrum of the digital asset ecosystem, from purchasing, trading, and securely holding assets and gaining returns. To further support adoption, we also provide educational resources, market insights and risk management tools, positioning our platform as a trusted entry point for digital asset investing in Hong Kong and across the broader Asia-Pacific region.

# BUSINESS

The below screenshots illustrate the interface for our retail users. Retail users are also able to access our order book, which is typically available only for institutional clients on other platforms.



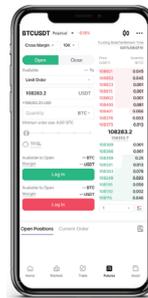
HashKey Homepage



User Assets Interface



Watchlist Interface

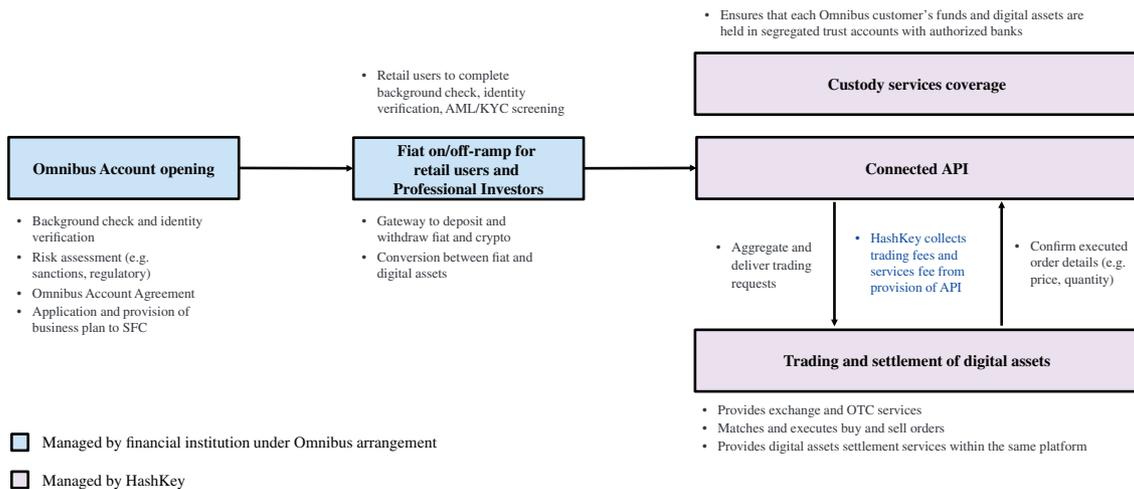


Order Book Interface



Fiat On/Off Ramp Interface

## Omnibus customers



For omnibus customers, the onboarding process is centered around the omnibus entity itself. This includes verifying the entity's background and license status, conducting regulatory and sanctions risk assessments, executing an omnibus account agreement, and submitting the omnibus customer's business plan to the SFC as part of the approval process. Omnibus customers are responsible for the KYC/AML and other onboarding procedures for their end-users. Retail and professional investors access the fiat on/off-ramp directly.

Omnibus customers connect to our platform through API integration, aggregating and transmitting trading requests on behalf of their end-users. We then confirm executed order details such as price and quantity through the same API connection. For the omnibus model, we collect commission and API service fees. To ensure security, all fiat and digital assets attributable to the omnibus entity are held in segregated trust accounts with authorized banks in the omnibus customer's name. This model integrates seamlessly into our platform, allowing institutions to aggregate trading activities while maintaining segregated custody and clear operational responsibilities.

### **Business partners**

Strategic partnerships are essential to the success of our ecosystem. We work with a wide range of stakeholders, including financial institutions, technology providers, Web3 projects and developers, and regulatory authorities, to expand our service capabilities and foster greater adoption of digital assets.

With financial institutions, we deliver secure custody, compliant trading and reliable execution, enabling traditional players to participate in the digital asset market with confidence. With Web3 projects and developers, we provide the technical infrastructure and lifecycle services needed to build, issue and scale decentralized applications and tokenised assets, while ensuring that these innovations remain secure, compliant and interoperable with our broader ecosystem. With regulators, we collaborate closely to ensure our platform continuously meets evolving compliance standards, making us a trusted partner for both traditional institutions and emerging blockchain innovators. Through these partnerships, we not only strengthen service capabilities and extend market reach, but also foster a vibrant ecosystem that connects established financial institutions with Web3 innovators, reinforcing our position as a secure and compliant gateway to the digital economy.

### **COMPLIANCE AND NETWORK SECURITY**

We operate under a robust regulatory framework in Hong Kong. Our exchange is licensed by the SFC with a Type 1 licence for dealing in securities and a Type 7 licence for providing automated trading services. In August 2023, our licence was expanded to permit us to serve retail investors, making us one of the few exchanges worldwide with direct regulatory approval to operate in both institutional and retail markets. This framework underpins the way we safeguard client assets, ensure system integrity, and protect investors. Our infrastructure is purpose-built and managed to meet these regulatory obligations at every level. After consultation with local counsels in our major jurisdictions, our Company is of the view that, during the Track Record Period and up to the Latest Practicable Date, we conducted our operations in compliance with applicable laws and regulations in the major jurisdictions where we operate in all material aspects.

### **Our security infrastructure**

Our security infrastructure spans multiple layers, including information security, network security and cryptographic protection. We utilize advanced encryption protocols to secure data during transmission and storage, ensuring that sensitive client information remains confidential. Our network security is enhanced with firewalls and host intrusion detection systems to detect and mitigate potential threats. Additionally, cryptographic measures such as multi-signature technology and HSM are employed to safeguard private keys, ensuring that all client assets are protected from unauthorized access and cyberattacks. As of the Latest Practicable Date, there have been no incidents of asset theft or security breaches, reinforcing the strength and reliability of our security framework.

### **Protection of client assets**

We safeguard client assets under a strict segregation framework. In line with Hong Kong regulatory requirements, at least 98% of our client assets are stored in offline cold wallets to ensure maximum security. Only a small portion, no more than 2%, is kept in hot wallets for daily operations. Movement of assets between cold and hot storage requires multi-layered approvals and predefined workflows. To further mitigate operational and cyber risks, we have also obtained dedicated cybersecurity insurance that provides additional coverage for potential incidents, reinforcing the overall protection of client assets. To further protect client assets, we maintain digital asset wallet insurance, covering both cold and hot wallets. Our insurance policy provides one of the highest coverage ratios globally in the industry, offering comprehensive protection against unlikely but material risks. The added layer of security ensures that client funds remain safe, even in extreme circumstances. These combined measures ensure that client assets are always kept secure and minimize the risk of exposure.

### **Account security and access protection**

Account access is secured through mandatory multi-factor authentication (“MFA”). In the event of device loss, account recovery requires enhanced identity verification. For professional traders connecting via APIs, we employ industry-standard encryption protocols, including SHA-256 request signing with salting, AES-128 and AES-256 for data encryption, as well as HMAC-SHA256 for request authentication, to ensure data integrity and confidentiality. These controls ensure that both manual users and algorithmic traders operate within a secure and verified environment, reducing the risks of tampering or account compromise.

### **KYC and suitability assessment**

Our onboarding process includes robust KYC/CDD controls for all new clients. Beyond standard identification and verification, we also require users to complete a virtual asset knowledge test to demonstrate their understanding of digital asset risks. All customers, including individual customers, are subject to identity verification using government-issued documents and independent data sources. For individual clients, identity verification covers key personal details such as name, date of birth, nationality, and residential address, verified through document checks and e-KYC technology featuring document authentication, facial recognition, and real-time data extraction to prevent fraud. For corporate clients, we review incorporation and business registration documents, ownership and control structures, and verify all beneficial owners holding 25% or more of the voting rights or share capital, as well as authorized signatories.

By adopting a risk-based approach, we classify customers into low, medium, or high-risk categories. Enhanced due diligence is conducted for high-risk clients, including additional verification of source of funds and wealth, management approval prior to account activation and enhanced ongoing monitoring. Before trading, clients must review and acknowledge our risk disclosures and trading rules, ensuring informed participation. In addition, all new clients

are required to complete a virtual asset knowledge test to demonstrate their understanding of digital asset risks and confirm suitability, thereby ensuring responsible participation and compliance with regulatory expectations.

### **AML monitoring and blockchain analytics**

We implement an AML and Counter-Terrorist Financing (“CTF”) framework that combines risk-based controls, real-time monitoring and preventive measures to detect and mitigate potential illicit activities. Every transaction conducted on our platform is continuously screened against global sanctions lists and behavioral risk indicators to detect anomalies at the earliest stage. We work with leading blockchain analytics providers, to support us to trace wallet histories, analyze transaction flows and intercept high-risk activities before deposit or withdrawal. Besides know your transaction (“KYT”), we also apply a rigorous token risk assessment for every new listing, reviewing its AML exposure and regulatory standing. Our AML controls follows a three lines of defence model, with business units serving as the first line, the compliance department as the second, and internal audit as the third. The AML compliance officer and money laundering reporting officer are responsible for implementing the AML system, reviewing suspicious activities, and reporting to the joint financial intelligence unit when necessary. All employees receive regular AML/CTF training to ensure awareness of evolving regulatory requirements and internal procedures. By integrating these controls across both user activity and token admission, we create a comprehensive safeguard that proactively prevents illicit activity and protects the integrity of our ecosystem.

For individual customers, we perform customer due diligence to verify their identity and ensure they are the actual controlling parties of the accounts. As part of the KYC requirements for our Hong Kong platform, clients are required to transfer a minimum of HK\$10,000 from their bank account to our platform. Enhanced verification is conducted where there are indications that a customer may act on behalf of another person. Once a relationship is established, we conduct periodic reviews of customer information and transaction activities based on risk levels, every three years for low-risk, every two years for medium-risk, and annually for high-risk customers, to ensure information accuracy and consistency with their profiles. Each review includes updating KYC information, conducting adverse news screening, and reassessing AML/CTF risk.

As advised by the local counsels in our major jurisdictions (as applicable), based on their due diligence, during the Track Record Period and up to the Latest Practicable Date, we conducted our operations in compliance with applicable AML and CFT laws and regulations in major jurisdictions where we operate in all material aspects. Our internal control consultant also confirmed that in connection with internal control on AML and CFT, no material deficiencies identified during its review period have not been addressed or remediated. Furthermore, as advised by our internal control consultant, no material deficiencies with respect to AML and CTF policies has been identified and based on that, the Joint Sponsors are of the view that the Company has maintained an internal control framework to ensure compliance in this respect.

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## BUSINESS

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Our internal control framework, including risk-based customer due diligence, transaction monitoring, record-keeping and reporting mechanisms, was considered appropriate and commensurate in light of the nature, scale, and complexity of our business operations.

### **Transparency and operational clarity**

We are committed to transparency in how our systems operate. We publicly disclose wallet structures, deposit and withdrawal rules, and compliance safeguards through our help center and official statements. For example, we outline our cold-to-hot wallet management process and the strict limits on hot wallet usage. We also publish clear guidance on fiat withdrawals, supported banks, and settlement timeframes. This transparency helps clients and regulators verify our processes, building confidence in the safety and reliability of our platform.

### **Independent control certifications**

To ensure that our operations meet international standards, we undergo regular audits and hold globally recognized certifications. We have obtained ISO 27001 for information security management and ISO 27701 for privacy information management. In 2025, we also completed SOC 2 Type 2 audits, confirming that our internal controls are not only properly designed but also effective over time. These independent reports validate our practices in areas such as security, system availability, confidentiality and data integrity, giving institutional clients additional confidence in our operational resilience.

### **OUR SUPPLIERS**

Our suppliers primarily consist of providers of cloud infrastructure, data security services, blockchain-related hardware components, technology service providers, and insurance that support the operation and development of our platforms. In 2022, 2023, 2024 and the six months ended June 30, 2025, purchases from our five largest suppliers were HK\$198.5 million, HK\$236.1 million, HK\$302.1 million and HK\$155.4 million, respectively, accounting for 39.1%, 32.4%, 19.2% and 29.4% of our total purchases for the same periods, respectively. The largest supplier in each period accounted for HK\$151.1 million, HK\$157.2 million, HK\$199.8 million and HK\$97.1 million, respectively, representing 29.8%, 21.6%, 12.7% and 18.4% of total purchases, respectively.

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### Top five suppliers

The following table sets forth details of our five largest suppliers in each period during the Track Record Period.

Year ended December 31, 2022							
No.	Supplier	Business scope	Products provided to us	Purchase amount	% of total purchase amount	Year of commencement of business relationship with us	Credit terms granted by such supplier
				<i>(HK\$ in thousands)</i>			
1	Wanxiang Blockchain entities <sup>(1)</sup>	Research and development	IT Services	151,141	29.8%	2018	No specific credit terms grant by the supplier
2	Supplier B <sup>(2)</sup>	Research and development	Cloud Services	24,528	4.8%	2018	30 days
3	Supplier C <sup>(3)</sup>	General and administrative	Office rental	13,172	2.6%	2021	No credit term, rental prepaid in advance
4	Supplier D <sup>(4)</sup>	Research and development	IT Services	5,052	1.0%	2021	30 days
5	Supplier E <sup>(5)</sup>	Research and development	IT Services	4,586	0.9%	2020	No specific credit terms grant by the supplier

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Year ended December 31, 2023

No.	Supplier	Business scope	Products provided to us	Purchase amount	% of total purchase amount	Year of commencement of business relationship with us	Credit terms granted by such supplier
				<i>(HK\$ in thousands)</i>			
1	Wanxiang Blockchain entities	Research and development	IT Services	157,171	21.6%	2018	No specific credit terms grant by the supplier
2	Supplier B	Research and development	Cloud Services	35,592	4.9%	2018	30 days
3	Supplier C	General and administrative	Office rental	16,824	2.3%	2021	No credit term, rental prepaid in advance
4	Supplier F <sup>(6)</sup>	General and administrative	Insurance	13,800	1.9%	2022	30 days
5	Supplier G <sup>(7)</sup>	Research and development	IT Services	12,686	1.7%	2023	7 days

Year ended December 31, 2024

No.	Supplier	Business scope	Products provided to us	Purchase amount	% of total purchase amount	Year of commencement of business relationship with us	Credit terms granted by such supplier
				<i>(HK\$ in thousands)</i>			
1	Wanxiang Blockchain entities	Research and development	IT Services	199,803	12.7%	2018	No specific credit terms grant by the supplier
2	Supplier E	Research and development	IT Services	47,148	3.0%	2020	No specific credit terms grant by the supplier
3	Supplier B	Research and development	Cloud Services	20,948	1.3%	2018	30 days
4	Supplier H <sup>(8)</sup>	General and administrative	Insurance	17,230	1.1%	2023	30 days
5	Supplier C	General and administrative	Office rental	16,968	1.1%	2021	No credit term, rental prepaid in advance

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For the six months ended June 30, 2025

No.	Supplier	Business scope	Products provided to us	Purchase amount	% of total purchase amount	Year of commencement of business relationship with us	Credit terms granted by such supplier
				<i>(HK\$ in thousands)</i>			
1	Wanxiang Blockchain entities	Research and development	IT Services	97,070	18.4%	2018	No specific credit terms grant by the supplier
2	Supplier I <sup>(9)</sup>	Research and development	Cloud Services	26,504	5.0%	2024	25 days
3	Supplier H	General and administrative	Insurance	12,743	2.4%	2023	30 days
4	Supplier J <sup>(10)</sup>	General and administrative	Event Management fee	9,871	1.9%	2022	7 days
5	Supplier K <sup>(11)</sup>	Research and development	Cloud Services	9,179	1.7%	2022	No credit term, rental prepaid in advance

- (1) Founded in 2017 and incorporated in China Mainland. Wanxiang Blockchain entities operate in blockchain technology and application. Refer to “Connected Transactions” for further details.
- (2) Founded in 2006 and incorporated in United States of America. Supplier B operates in sale of information and services, including on-demand cloud computing platforms and IT infrastructure services. Based on the public information, Supplier B had recorded a total revenue of over US\$107 billion for the year ended December 31, 2024.
- (3) Founded in 2020 and incorporated in Hong Kong S.A.R. Supplier C operates in property investment. Based on the public information, Supplier C is a subsidiary of a company listed in the London Stock Exchange, where the listed entity recorded a total revenue of US\$2,002.1 million for the year ended December 31, 2024 and total asset of US\$39,052.4 million as of December 31, 2024.
- (4) Founded in 2016 and incorporated in Hong Kong S.A.R. Supplier D operates in sale of information and services, including on-demand cloud computing platforms and IT infrastructure services. Based on the public information, Supplier D recorded a net profit of approximately US\$2.4 million for the year ended December 31, 2024 and total asset of approximately US\$34.8 million as of December 31, 2024.
- (5) Founded in 2019 and incorporated in Cayman Islands. Supplier E operates in Web3 infrastructure services. Based on the public information, Supplier E provides institutional-grade solutions using hot wallets, cold wallets, HSM integration, MPC technologies, and a digital asset management platform for deposit, withdrawal, transaction signing, portfolio oversight, and compliance reporting.
- (6) Founded in 1971 and incorporated in Hong Kong S.A.R. Supplier F operates in insurance broking and risk consulting. Based on the public information, Supplier F is a subsidiary of a company listed in the New York Stock Exchange, where the listed entity recorded a total revenue of US\$15,698 million for the year ended December 31, 2024 and total asset of US\$48,965 million as of December 31, 2024.

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- (7) Founded in 2022 and incorporated in Hong Kong S.A.R. Supplier G operates in technology consulting. Based on the public information, Supplier G operates in multiple jurisdictions, including Hong Kong, Singapore, Japan and Dubai.
- (8) Founded in 2018 and incorporated in Hong Kong S.A.R. Supplier H operates in insurance service. Based on the public information, Supplier H recorded a total revenue of over HK\$240 million for the year ended December 31, 2024.
- (9) Founded in 2022 and incorporated in Singapore. Supplier I operates in information technology consultancy and development of software and applications. Based on the public information, Supplier I covers over 100 countries and regions with ISO 27001 certification.
- (10) Founded in 2006 and incorporated in Hong Kong S.A.R. Supplier J operates in event organization and promotion. Based on the public information, Supplier J operates in four countries with eight branches.
- (11) Founded in 2016 and incorporated in Singapore. Supplier K operates in hosting services by non-data centres and Data analytics and processing. Based on the public information, Supplier K has presently over 18 tier-3 data centers across 25 regions.

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, our five largest suppliers in each period during the Track Record Period were Independent Third Parties except for Wanxiang Blockchain entities, which were among our five largest suppliers in 2022, 2023, 2024 and the six months ended June 30, 2025, and are the related parties of one of our Shareholders. For details, please refer to “Connected Transactions.” As of the Latest Practicable Date, none of our Directors, their close associates, or any of our Shareholders (who or which, to the knowledge of the Directors, owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each period during the Track Record Period, save for the indirect interest held by Wanxiang Blockchain entities through its relationship with a Shareholder.

We generally enter into a supply agreement with each of our suppliers across different regions, with key contractual terms outlined below:

- **Term.** The contractual term is typically determined on a case-by-case basis depending on the nature of the services.
- **Payment and credit terms.** Suppliers may grant purchase credit limits at their sole discretion based on our credit application, financial status, and transaction history. Credit is restored only after payment is settled, and suppliers may reduce, cancel, suspend, or terminate the credit limit or services in the event of insufficient balance or late payment.
- **Pricing.** Prices are determined as stated or published from time to time, with any discounts specified in the schedules. All amounts payable are exclusive of taxes, duties and assessments.

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- **Confidentiality.** The suppliers are required to keep confidential the business, technical, financial, and operational information disclosed under the agreement. Exceptions typically apply to information that is public, independently developed, lawfully obtained, or required to be disclosed by law or regulatory authorities.
- **Inspection and acceptance.** We review the products and services delivered by suppliers against the applicable product terms, pricing conditions and service level agreements where available. Acceptance is typically subject to compliance with these agreed standards, and any remedies for defects or non-conformities are provided under the relevant product terms or service level agreements, which constitute our sole basis for acceptance.
- **Business integrity.** Suppliers are required to comply with all applicable anti-bribery, anti-corruption, sanctions, and export control laws. They are expected to maintain adequate internal policies and promptly report any improper requests or demands. Breach of anti-bribery undertakings is typically regarded as a material breach of the agreement.

Furthermore, we have entered into long-term technical service agreements with certain critical suppliers to support our ongoing product development and platform operations, with key contractual terms outlined below:

- **Term and termination.** The agreements take effect upon execution and remain valid on a long-term basis unless terminated by mutual written consent. Key provisions, including those on intellectual property rights and confidentiality, survive termination.
- **Scope of services.** Suppliers provide technical development and consulting services under written project requests submitted by us from time to time. Suppliers prepare proposals and quotations for our confirmation and deliver the agreed work for inspection and acceptance testing in accordance with defined technical standards and timelines.
- **Pricing.** Fees are determined on a per-project basis, considering service complexity, value, personnel level, market pricing and our operating conditions. Suppliers may bill us upon written acceptance of deliverables, and we review and respond typically within 30 days.
- **Intellectual property rights.** All intellectual property arising from the services, including software, patents and technical know-how, is owned by the suppliers. We are entitled to use such intellectual property globally and free of charge during its validity period or to acquire relevant assets or business at the minimum price permitted by law.

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- **Confidentiality.** Suppliers must keep confidential all business, technical and operational information disclosed under the agreements, except for information that is public, legally required or shared with professional advisers under equivalent confidentiality obligations.

We adopt a structured and quality-oriented approach to the selection and management of our suppliers, with a focus on technology services, infrastructure providers and platform partners. During the selection phase, we evaluate potential suppliers based on multiple criteria, including their service quality, security standards, technical capabilities, compliance with regulatory requirements and cost competitiveness. We prioritize suppliers with proven reliability, strong track records in the digital asset industry, and those who can support our customized platform needs. Suppliers who adhere to rigorous cybersecurity protocols, industry standards and regulatory frameworks are given preference to ensure the highest level of data security and service reliability for our platform.

To ensure the ongoing performance of our suppliers and mitigate any operational risks, we have implemented a comprehensive supplier management system such as security audits. We also monitor the technical alignment and operational reliability of our suppliers through continuous collaboration and performance scoring systems. By integrating regular feedback loops and improvement programs, we maintain strong and effective working relationships with our suppliers. In order to minimize dependency on any single supplier and enhance platform resilience, we maintain supplier diversification in key areas such as cloud infrastructure, cybersecurity services and blockchain-related technologies. For strategic suppliers that are integral to our platform's core operations, we engage them in our product development and platform innovation processes early on to ensure that their services are aligned with our technical roadmap and security standards, ultimately contributing to consistent service quality and platform scalability.

### OUR CUSTOMERS

#### Top five customers

During the Track Record Period, our customer base primarily consisted of (i) institutional customers, including banks, asset managers, family offices, hedge funds, and Web3 developers, (ii) omnibus customers, such as licensed securities firms, (iii) ecosystem partners, and (iv) retail users. In 2022, 2023, 2024 and the six months ended June 30, 2025, revenue generated from our five largest customers in each period was HK\$102.7 million, HK\$116.5 million, HK\$134.1 million and HK\$64.7 million, respectively, accounting for 79.6%, 56.0%, 18.5% and 22.8% of our total revenue for the same periods, respectively. The revenue from our single largest customer during the same periods was HK\$68.1 million, HK\$83.4 million, HK\$76.6 million and HK\$34.8 million, respectively, representing 52.8%, 40.1%, 10.6% and 12.3% of our total revenue for those periods, respectively.

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The following table sets forth details of our five largest customers in each period during the Track Record Period.

Year ended December 31, 2022							
No.	Customer	Business scope	Products/Services purchased from us	Payment amount	% of total payment amount	Year of commencement of business relationship with us	Credit terms granted to such customer
				<i>(HK\$ in thousands)</i>			
1	HashKey Fintech III <sup>(1)</sup>	Asset management	Asset management service	68,078*	52.8%	2021	N/A
2	Customer B <sup>(2)</sup>	On-chain	Staking	17,265	13.4%	2021	3 working days upon notification/invoice issuance
3	GDZ International Limited <sup>(3)</sup>	On-chain	Staking	6,407	5.0%	2018	N/A
4	Customer D <sup>(4)</sup>	On-chain	Staking	6,003	4.7%	2020	N/A
5	Customer E <sup>(5)</sup>	On-chain	Staking	4,993	3.9%	2021	N/A

\* The entire amount was attributable to asset management services.

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Year ended December 31, 2023

No.	Customer	Business scope	Products/Services purchased from us	Payment amount	% of total payment amount	Year of commencement of business relationship with us	Credit terms granted to such customer
				<i>(HK\$ in thousands)</i>			
1 . .	HashKey Fintech III	Asset management and transaction facilitation	Asset management service and OTC	83,395*	40.1%	2021	N/A
2 . .	Customer B	On-chain	Staking	11,185	5.4%	2021	3 working days upon notification/invoice issuance
3 . .	Customer F <sup>(6)</sup>	On-chain	Staking	8,316	4.0%	2022	N/A
4 . .	GDZ International Limited	On-chain	Staking	8,128	3.9%	2018	N/A
5 . .	HashKey Fintech II <sup>(7)</sup>	Asset management and transaction facilitation	Asset management service and OTC	5,436	2.6%	2020	N/A

\* Of the said amount, approximately HK\$73.8 million was attributable to asset management services, and approximately HK\$9.6 million was attributable to OTC services.

Year ended December 31, 2024

No.	Customer	Business scope	Products/Services purchased from us	Payment amount	% of total payment amount	Year of commencement of business relationship with us	Credit terms granted to such customer
				<i>(HK\$ in thousands)</i>			
1 . .	HashKey Fintech III	Asset management and transaction facilitation	Asset management service, OTC and cloud services	76,595*	10.6%	2021	N/A
2 . .	Customer B	On-chain	Staking	24,560	3.4%	2021	3 working days upon notification/invoice issuance
3 . .	Customer H <sup>(8)</sup>	Transaction facilitation	OTC	13,459	1.8%	2024	N/A
4 . .	Customer F	On-chain	Staking	12,075	1.7%	2022	N/A
5 . .	GDZ International Limited	On-chain	Staking	7,378	1.0%	2018	N/A

\* Of the said amount, approximately HK\$70.5 million was attributable to asset management services, approximately HK\$4.8 million was attributable to OTC services, and approximately HK\$1.3 million was attributable to cloud services.

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For the six months ended June 30, 2025

No.	Customer	Business scope	Products/Services purchased from us	Payment amount	% of total payment amount	Year of commencement of business relationship with us	Credit terms granted to such customer
				<i>(HK\$ in thousands)</i>			
1	HashKey Fintech III	Asset management	Asset management service	34,819*	12.3%	2021	N/A
2	Customer I <sup>(9)</sup>	Transaction facilitation	Exchange brokerage	12,823	4.5%	2024	N/A
3	Customer J <sup>(10)</sup>	Transaction facilitation	Exchange brokerage	6,172	2.2%	2025	N/A
4	Customer K <sup>(11)</sup>	On-chain	Staking	5,491	1.9%	2021	N/A
5	Customer L <sup>(12)</sup>	Transaction facilitation	Exchange brokerage	5,354	1.9%	2023	N/A

\* The entire amount was attributable to asset management services.

- (1) Founded in 2020 and incorporated in Cayman Islands. HashKey Fintech III is a private limited partnership fund. HashKey Fintech III is a client under asset management business. Refer to “Relationship with Our Controlling Shareholders” for further details.
- (2) Founded in 2019 and incorporated in British Virgin Islands. Customer B is an affiliate of a digital asset trading company. Customer B is a client under on-chain business. Based on the public information, Customer B’s wider group had recorded customer assets over US\$156 billion.
- (3) Founded in 2007 and incorporated in British Virgin Islands. GDZ International Limited is the ultimate controlling party of the Group. GDZ International Limited is a client under on-chain business. Refer to “Relationship with Our Controlling Shareholders” for further details.
- (4) Incorporated in Hong Kong S.A.R. Customer D operates a block chain platform. Customer D is a client under onchain business. Based on the public information, Customer D recorded a transfer volume over US\$140 billion and over 5 billion transactions.
- (5) Founded in 2021 and incorporated in British Virgin Islands. Customer E engages in long-term investment in Web3 Industry. Customer E is a client under on-chain business. Based on the public information, Customer E invested in over 80 projects, covering different sectors within the Web3 Industry.
- (6) Customer F is a decentralized autonomous organization that providing liquid staking solutions for major proof-of-stake blockchains. Customer F is a client under on-chain business. Based on the public information, Customer F’s total value locked (TVL) was approximately US\$24.1 billion as of November 23, 2025.
- (7) Founded in 2019 and incorporated in British Virgin Islands. HashKey Fintech II is an affiliate of a digital asset trading company. HashKey Fintech II is a client under asset management business and an institution client under transaction facilitation business. As of September 30, 2025, HashKey Fintech II had deployed approximately US\$145 million across a diversified portfolio.
- (8) Founded in 2023 and incorporated in Hong Kong S.A.R. Customer H is private company provides investment consultancy service. Customer H is an institution client under transaction facilitation business. Based on public information, Customer H had paid-up capital of HK\$10,000.

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- (9) Customer I was one of our individual investors on our digital asset trading platform. The transactions primarily involved trading in major digital assets, including USDT and BTC, executed through our order booking trading. For the six months ended June 30, 2025, Customer I recorded a trading volume of approximately HK\$28.8 million.
- (10) Founded in 2024 and incorporated in Panama. Customer J operates in digital assets project implementation. Customer J is an institution client under transaction facilitation business. Based on the public information, Customer J had over 2,000 projects built and over 140,000 community members.
- (11) Founded in 2018 and incorporated in British Virgin Islands. Customer K operates in developing a blockchain protocol and algorithmic stable coins. Customer K is a client under on-chain business. Based on public information, Customer K had completed US\$150 million financing for its ecosystem fund.
- (12) Founded in 1993 and incorporated in Hong Kong S.A.R. Customer L operates in stock brokerage. Customer L is an omnibus account client under transaction facilitation business. Customer L is a subsidiary of a company listed in the Hong Kong Stock Exchange, where the listed company recorded a total revenue of HK\$75.0 million for the year ended December 31, 2024 and total asset of HK\$520.0 million as of December 31, 2024.

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, our five largest customers in each period during the Track Record Period were Independent Third Parties except for HashKey Fintech III, GDZ International Limited and HashKey Fintech II, which were among our five largest customers in 2022, 2023, 2024 and the six months ended June 30, 2025 and are among our Controlling Shareholders. For details, please refer to “Connected Transactions.” As of the Latest Practicable Date, none of our Directors, their close associates, or any of our Shareholders (who or which, to the knowledge of the Directors, owned more than 5% of our issued share capital) had any interest in any of our five largest customers in each period during the Track Record Period, save for the indirect interest held by HashKey Fintech III, GDZ International Limited and HashKey Fintech II through their relationship with us.

### Customer services

We adopt a customer-centric approach and place strong emphasis on service quality. We maintain dedicated client coverage teams that provide onboarding support, training, and ongoing assistance across trading, custody, and compliance processes. For new product launches, we offer structured briefings to ensure smooth adoption, and our service teams operate dedicated communication channels to address client inquiries in a timely manner. In cases of technical or operational issues, our operations and technology staff provide prompt resolution and transparent follow-up, ensuring service continuity and reinforcing client confidence. During the Track Record Period, we did not receive any material complaints from our customers.

We generally enter into service agreement with each of our customers under transaction facilitation services, with key contractual terms outlined below:

- **Term.** We typically enter into an agreement with a fixed initial term of one year, which is automatically renewed for successive annual periods unless earlier terminated in accordance with the contractual termination provisions, including upon regulatory events, insolvency or material breach by either party.

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- **Scope of services.** We provide our customers with access to our digital asset trading platform through a designated account structure, under which we execute digital asset transactions, provide market connectivity, and offer related operational and technical support for their end-clients' trading activities.
- **Pricing.** We charge our customers fees in accordance with an agreed fee schedule, including transaction-based fees calculated on a tiered maker-taker basis by reference to trading volume, and custody or other ancillary fees. Fees are generally settled in cash in specified currencies on a periodic basis, subject to any applicable minimum monthly fee, with any shortfall treated as a maintenance charge.
- **Confidentiality.** We and our customers are each required to keep confidential all non-public information relating to the agreement or the other party, and may only disclose such information where required by law or regulatory authorities, or where necessary for the performance of contractual obligations, while taking reasonable steps to protect the other party's business and reputation.
- **Data privacy and information security.** We process personal data provided by our customers solely for the purposes of performing our contractual obligations, retain such data only for as long as necessary, and implement information security controls, including technology, personnel and infrastructure measures, to safeguard personal data and system integrity. Where a material security incident arises that affects our ability to provide services, we will notify the relevant customer and cooperate in good faith to address the incident.
- **Regulatory compliance and business integrity.** We are required to maintain all licences, approvals and registrations necessary to operate our virtual asset trading platform and to comply with applicable laws, regulations and regulatory guidelines, including those relating to anti-money laundering and counter-terrorist financing. Our customers are responsible for complying with their own regulatory obligations, including customer onboarding, know-your-client, suitability, and ongoing monitoring requirements in respect of their underlying clients.
- **Custody and safekeeping of assets.** Where we provide custody services, assets and funds standing to the credit of our customers are held in segregated accounts separate from our own assets, including through associated entities where permitted, and are treated as client assets that do not form part of our estate for insolvency purposes, subject to return to our customers in accordance with applicable laws and regulations.

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We generally enter into service agreement with each of our customers under asset management services, with key contract terms outlined below:

- **Commitments and capital contributions.** Each of our customers enters into the partnership by making an irrevocable capital commitment. We may issue drawdown notices during the commitment period, requiring customers to fund their contributions within the prescribed timeline. Contributions are made in cash or, where accepted by us, in specie.
- **Investment period and deployment of capital.** We are responsible for deploying customers' contributed capital to make eligible investments, pay partnership expenses and meet other obligations permitted under the agreement. After the end of the commitment period, capital may only be drawn for limited purposes such as follow-on investments, pending transactions, or payment of expenses.
- **Equalisation for subsequent closings.** Customers admitted after the initial closing are required to compensate existing customers through equalisation payments, which align their economic participation with investments and expenses incurred prior to their admission.
- **Distribution waterfall.** Distributions to customers follow a structured, deal-by-deal waterfall. Customers first receive a return of their contributed capital and attributable expenses. After this, further proceeds are shared between customers and us as carried interest, reflecting the agreed profit-sharing arrangement.
- **Management Authority.** We act as the general partner and retain full discretion over investment decisions, portfolio management, borrowings, valuation, and overall fund operations. Customers do not participate in day-to-day management or decision-making.
- **Fees.** Management fees payable to us are calculated in accordance with the terms of the partnership agreement. Partnership-level expenses, including organisational, operational and investment-related costs, are borne by the fund and indirectly shared by customers.
- **Transfers and withdrawals.** Customers are generally prohibited from withdrawing their capital. Any transfer of partnership interests requires our prior consent and must follow the procedures set out in the agreement.
- **Reporting and records.** We maintain the partnership's books, records and valuation policies and provide customers with periodic reports, including capital account statements, financial information and investment updates as required under the agreement.

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Furthermore, we enter into service agreement with our customers under staking services, with key contract terms outlined below:

- **Termination and term.** Either party may terminate the agreement without liability by giving not less than fifteen days' written notice. Upon termination, all staked tokens and accrued rewards will be settled and transferred once protocol conditions allow. The agreement is valid for two years and may be extended by mutual consent, with surviving clauses on proprietary information, confidentiality and default.
- **Scope of services.** We create and operate staking nodes on behalf of our customers and provide staking and restaking services on the supported network protocol. Customers must maintain the required relevant tokens staked on these nodes and may instruct us on node operations within the protocol's rules. We perform our obligations with due skill, care and diligence and are liable for direct losses to customers' tokens only where such duty is not satisfied.
- **Rewards and fees.** Customers are entitled to receive staking rewards and restaking rewards generated under the supported protocol. We calculate and settle rewards in accordance with the agreement, and we charge a 5%-10% fee on total staking and restaking rewards, payable monthly. We bear liability for slashing penalties only where they arise from our material fault. We endeavour to provide daily reward statements, and each party remains responsible for its own applicable taxes.
- **Withdrawal of staked tokens.** Customers may request withdrawal of staked tokens starting from the tenth working day after node activation. Upon receiving a withdrawal request, we will process it within two working days, with completion subject to the protocol's technical requirements. After withdrawal is completed, we issue a settlement statement to customers for review and payment of outstanding fees.
- **Confidentiality and proprietary information.** Each party retains ownership of its proprietary information, including business, technical and customer-related information. Both parties must keep confidential all non-public information obtained under the agreement unless legally required to disclose. Breach of confidentiality entitles the observing party to terminate the agreement and claim losses.

### BUSINESS SUSTAINABILITY

#### Nature of our business

We operate an integrated, compliance-first digital asset platform built around three mutually reinforcing business engines: (i) transaction facilitation services, including our licensed exchanges, OTC desk and related market access; (ii) on-chain services, covering staking, tokenisation and blockchain infrastructure; and (iii) asset management services, offering both passive and active fund strategies for institutional clients. Our platforms share common infrastructure — licensing, custody, risk management, compliance and technology — and together create a platform designed to compound scale, trust and network effects across the ecosystem.

Our business model follows a front-loaded investment cycle, which is characteristic of regulated financial market infrastructure. Substantial resources are required upfront for:

- licensing and regulatory engagement across multiple jurisdictions to ensure compliance and to build the legal foundation for scalable operations;
- core infrastructure development, including exchange engines, custody systems, risk management tools and cybersecurity frameworks, to meet institutional-grade standards;
- technology innovation and R&D, covering staking reliability, tokenisation middleware and blockchain scalability, to support both current offerings and emerging asset classes; and
- brand building and distribution, encompassing sales, partnerships and market education, particularly critical in an emerging asset class where regulatory confidence and reputation determine client adoption.

These investments are incurred before trading volumes and assets under custody reach full scale, which results in a period where operating costs exceed revenue and we may report net losses. During the Track Record Period, we recorded losses for the year/period of HK\$585.2 million, HK\$580.0 million, HK\$1,189.6 million, HK\$772.6 million and HK\$506.7 million for 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. Net cash used in operating activities amounted to HK\$143.5 million, HK\$273.7 million, HK\$183.3 million, HK\$124.4 million and HK\$266.3 million during the corresponding periods, respectively. Our net losses and operating cash outflows during the Track Record Period primarily reflect the nature of our business development cycle and the substantial upfront investments required to establish a licensed, compliant and scalable digital asset platform. After obtaining our Type 1 and Type 7 licences from the SFC in 2022, we continuously enhanced our technological infrastructure, compliance framework and operational capabilities to support long-term business operations. Most expenditures during this period were related to system development, technology integration, talent recruitment and compliance preparation,

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while revenue remained limited. In 2023, we launched our transaction facilitation business and focused on business expansion, client acquisition and ecosystem development. To strengthen market presence and expand user base, we strategically adopted a zero-fee or low-fee policy. Therefore, while our trading volume and client engagement grew significantly, the scale of revenue was relatively small compared with our early-stage investments, and operating expenses, mainly arising from R&D, compliance and platform operations, remained high. In 2024, our operations entered a growth phase, with improving trading momentum and expanding revenue streams demonstrating the initial benefits of earlier investments. While profitability has yet to fully reflect these gains, we have established a solid foundation for continued growth. As the regulatory environment continues to evolve and mature, we are aligning our business expansion accordingly, progressively introducing new products to capture future growth opportunities. According to Frost & Sullivan, our development cycle aligns with the typical evolution of onshore digital asset trading platforms, which generally requires a multi-year investment period for scale efficiencies to materialize, before reaching profitability.

As our platform matures, however, transaction activities, client assets and product utilisation grow, while many core expenses, such as compliance infrastructure, technology architecture and custody operations, remain relatively stable. This dynamic creates operating leverage:

- *Revenue scales non-linearly with activity growth.* Each incremental increase in client activity translates into higher transaction fees, staking commissions and management fees. The fee base is volume-driven rather than cost-driven, meaning that even moderate growth in trading volumes or assets under management can produce disproportionately higher revenue. For example, once a client is onboarded, their ongoing trading or fund activity generates recurring revenues without requiring proportional new expenditures.
- *Fixed costs are amortized over a broader base of clients and assets.* Core expenses, such as licensing, compliance monitoring, security systems, custody infrastructure and R&D, are largely front-loaded and remain relatively stable regardless of client activity levels. As our user base and assets scale, these costs are spread across more transactions and a larger AUM pool, resulting in a declining unit cost per transaction or per client. This effect strengthens as volumes compound, reducing marginal costs and improving efficiency.
- *Margins improve as economies of scale materialize.* With rising revenue and declining unit costs, incremental revenues increasingly exceed incremental expenses. It not only widens operating margins but creates capacity for reinvestment into product innovation, market expansion and ecosystem development. Over time, profitability improves as our platform captures more of the economic value it facilitates, a trajectory similar to that observed in other regulated financial market infrastructures such as securities exchanges, custodians and asset managers.

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The investment cycle demonstrates that early-stage losses are not only expected but also essential to establish the compliance, technology and client trust foundations of our platform. In the long run, this cycle positions us for sustainable profitability by combining a stable cost base with scalable, recurring revenues underpinned by growing trading volumes and assets.

### **Historical development and achievements**

We are building a durable competitive advantage around regulation, security and infrastructure. We secured and operated under licences across Hong Kong, Singapore, Japan, Bermuda and UAE. We launched a licensed Hong Kong VATP serving both professional and retail investors, integrated custody with insurance coverage for both hot and cold wallets, and scaled on-chain capabilities.

These foundations translated into measurable operating scale:

- We were the largest regional onshore platform in Asia and the largest in Hong Kong in terms of trading volume in 2024 with an estimated market share of over 75%, according to Frost & Sullivan;
- Our trading platforms safeguarded over HK\$19.9 billion of client assets on platforms as of the Latest Practicable Date, and facilitated cumulative spot trading volume of HK\$1.3 trillion as of September 30, 2025;
- Our on-chain franchise supported HK\$29 billion in staked assets across more than 80 protocols, making us the largest on-chain services provider in terms of assets under staking in Asia and eighth largest globally, according to Frost & Sullivan; and
- We managed HK\$7.8 billion of AUM since inception across venture and liquid strategies as of September 30, 2025.

Our revenue expanded alongside broader product adoption and higher transaction activity, while major cost components such as compliance, custody and technology infrastructure remained relatively stable. As a result, our cost of revenue as a percentage of total revenue increased from 2.8% in 2022 to 6.0% in 2023, and further increased to 26.1% in 2024. It subsequently increased from 27.5% in the six months ended June 30, 2024 to 35.0% during the same period in 2025.

### **Industry tailwinds supporting sustainable growth**

The digital asset market is undergoing structural formalization, shifting from offshore, lightly regulated venues to onshore, licensed market infrastructure. This transition is being driven by regulatory clarity, greater institutional participation and continued product innovation. The global transaction facilitation market by trading volume expanded from

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US\$5.5 trillion in 2020 to US\$25.7 trillion in 2024, and is projected to reach US\$83.5 trillion by 2029, representing a CAGR of 26.6% from 2024 to 2029. This growth reflects both the continued deepening of retail adoption and, more importantly, the institutionalization of the asset class.

Regulatory developments in Hong Kong and Singapore have accelerated capital migration toward licensed venues. In Hong Kong, the VATP framework with its expansion to retail access and the approval of spot BTC and ETH ETFs with staking features permitted for ETH ETFs, demonstrate strong policy support for compliant market access and yield-bearing on-chain activities. As a licensed operator with integrated exchange, custody and staking capabilities, we are a direct beneficiary of these developments.

Furthermore, tokenisation of RWAs and regulated stablecoins are emerging as key pillars of the next phase of industry growth. Tokenised funds and fixed-income products enable programmability, fractionalization and real-time settlement, while regulated stablecoin rails are establishing the foundation for on-chain payments and treasury solutions. Our role in supporting the launch of the world's first tokenised money market ETFs, which were issued on our infrastructure and distributed through our licensed platform, together with our major stake in RD InnoTech Limited that is participating in the HKMA stablecoin issuer sandbox, positions us at the center of these structural shifts.

Collectively, these tailwinds, including policy clarity, institutional adoption, tokenisation and compliant payment rails, are expanding the addressable market, increasing asset velocity through new use cases, and raising the importance of regulated infrastructure. These reinforce the long-term sustainability of our business model.

### **Cash Burn Analysis**

Our cash burn refers to the average monthly aggregate amount of net cash used in operating activities. Our net operating cash outflow in the three months ended September 30, 2025 was HK\$122.7 million, which is equivalent to HK\$40.9 million per month. The average monthly cash burn was largely driven by our cost on enhancing liquidity for exchange offerings, research and development expenses for investing in technology and strengthen our infrastructure and cybersecurity defense scheme, sales and marketing expenses for attracting users and deepening market leadership in Asia and expanding into new markets, as well as general and administrative expenses for strengthening legal, risk and compliance functions to support our continued business growth.

As of October 31, 2025, we had cash and cash equivalents of HK\$1,479.6 million, and digital assets with a total value of HK\$566.9 million, among the HK\$566.9 million of digital assets, 89% of them consist of mainstream tokens, including ETH, BTC, USDC, USDT, and SOL. We estimate that we will receive net proceeds of approximately HK\$1,426.4 million in the Global Offering, based on Offer Price of HK\$6.45 per Offer Share. As we have established our flagship transaction facilitation services with license, compliance framework and scalable technology infrastructure, and our improving operating leverage alongside business growth, we

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expect our cash flow and margin profile to improve. Accordingly, we also expect the cash burn rate to improve and we will realize cash inflow as we continue scaling up our operations. By taking a prudent approach, we are assuming an average cash burn rate of HK\$40.9 million per month based on recent levels of operational cash outflow, to conduct the cash flow sufficiency analysis. This is more conservative than the historical average monthly cash burn rate of HK\$25.0 million during the 18-month period ended June 30, 2025. We have also taken into account minimum capital requirements under the applicable laws and regulations when performing such analysis, including the HK\$9,000,000 liquid capital requirement under the SFC, and the S\$250,000 base capital requirement under the SF(FMR)R and MAS Notice SFA 04-N13. We believe we are able to maintain our financial viability for

- 84.9 months with consideration of IPO proceeds, cash and cash equivalents, and the value of digital assets on hand
- 71.0 months with consideration of IPO proceeds, cash and cash equivalents excluding the value of digital assets on hand
- 50.0 months with consideration of cash and cash equivalents and value of digital assets on hand, but excluding IPO proceeds
- 36.2 months with consideration of cash and cash equivalents, but excluding value of digital assets on hand and IPO proceeds

Our Directors are of the view, and the Joint Sponsors concur, that we have sufficient working capital without considerations of digital assets and IPO proceeds, to fund our operations for the next 12 months since October 31, 2025.

Our operating cash outflows during the Track Record Period primarily reflect the nature of our business development cycle and the substantial upfront investments required to establish a licensed, compliant and scalable digital asset platform.

### **Our path to profitability**

We have always maintained our key focus to expand digital asset offerings, broaden customer base and ramp up market share, achieving our mission of making digital assets massively accessible. In 2023, we launched our flagship transaction facilitation services which saw an immense growth in trading volume to HK\$638.4 billion for the year ended December 31, 2024. Going forward, as we continue scaling up, we expect to make measurable progress in narrowing our losses and achieving long-term sustainable profitability. Our core strategies include (i) launching diversified and innovative products, (ii) expanding customer base, and (iii) improving operating leverage by managing cost efficiency.

*(i) Launching diversified and innovative products*

We expect to further diversify our product offerings across our exchange, on-chain services and asset management services business segments, along with development of the digital asset industry. With an expanded product portfolio, this increases our monetization touchpoints with customers with potentially higher commission rates, thereby driving our growth and paving our path to profitability.

**Exchange offerings.** We are expanding into derivatives and perpetual contracts, targeting at institutions and professional traders adopting more sophisticated trading strategies such as hedging and leveraging. This is similar to how trading institutions and funds are designing nuanced strategies combining stock and option products. These generally generate higher take rates compared with spot transactions. According to Frost & Sullivan, the trading volume of perpetual and derivatives products is over 2 times larger than spot trading volume globally, and we expect such products to contribute significantly to trading volume growth going forward. Moreover, in November 2025, SFC published a circular which waived the 12-month track record requirement for virtual asset trading platform operators to offer trading in digital assets. This expedites our process of listing tokens on our platform and enables us to onboard a greater variety of digital assets within a shorter time frame. Together with the tokenisation market expected to continue its rapid growth, this will increase the number of tokenised products traded on our platform. For our OTC business, our strategy is to continue ramping up market share by offering more bespoke products to institutional customers. With our newly launched OTC Marketplace, we will provide OTC block trading and settlement services to institutional customers, allowing institutional customers to compare real-time quotes from liquidity providers and opt for deferred transaction settlement. Real-time quotes represent the all-in pricing, and the comparison functionality drives competitive pricing and enhanced transparency. This is expected to attract more institutional customers with sizeable digital asset portfolios to execute block trades on our platform.

**Trading volume.** As we broaden our product suite, this increases touchpoints for customers to trade on our platform, thereby deepening liquidity and increasing trading volume. Simultaneously, we are leveraging on shared liquidity to boost trading volume on our platform. In November 2025, SFC published a circular on shared liquidity by virtual asset trading platforms, which permitted SFC-licensed virtual asset trading platform operators to integrate order books of different platforms to be combined into an aggregate shared liquidity pool, enabling order matching and execution across platforms. This enhances liquidity, enables deeper order books and improves price discovery, thus driving trading volumes. We are also actively partnering with leading Southeast Asia exchanges across Philippines, Malaysia, Thailand and Indonesia to construct shared liquidity pools. This enables participants of these exchanges to gain access to our platform through cross-border liquidity providers, thereby increasing liquidity on our exchange platform. Compared with fragmented order books of local licensed exchanges, our collaboration with these exchanges improves price discovery, tightens trading spreads and reduces pricing slippage for larger trades, thereby increasing flow activities and driving trading volumes. For example, we have partnered with Coins.ph to establish liquidity sharing scheme, which allows customers to access a deeper liquidity pool

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and enjoy enhanced investment experiences. As we expand such partnerships, we gain valuable insights into the regional digital asset landscape and customer demands, further broadening product offerings and strengthening our capabilities in providing a robust regional digital assets trading infrastructure. This attracts new customers across different regions to join and trade on our platform, driving liquidity and trading volume in our ecosystem. Our trading volume increased significantly from HK\$4.2 billion in 2022 to HK\$328.0 billion in 2023, and subsequently increased to HK\$638.4 billion in 2024.

**On-chain services.** The tokenisation market will be expanding significantly thanks to opening up of regulations allowing broader financial products to be tokenised, such as money market funds, debt instruments, structured products, equities and other real-world assets. This evolution enables 24/7/365 fractionalized trading of RWA tokens, increasing the diversity and number of RWA tokens traded on our platform. With global RWA token value expected to grow at a CAGR of 201.5% from 2024 to 2029, reaching a total value of US\$3,887 billion by 2029, our increasing tokenisation use cases allow us to ride on this rapidly growing trend, and we expect monetization to improve as issuance and trading volume increase. In addition, we plan to launch Crypto-as-a-Service which provides businesses with readily-available infrastructure and tools such as APIs and smart contract protocols. This enables financial institutions and corporates such as asset management companies, securities firms and fintech players to conveniently integrate crypto functionalities (e.g. payments, trading, custody and blockchain-based treasury solutions) into their own products and offerings without building complex systems from scratch. Crypto-as-a-Service addresses demands for an easily scalable, highly secure and operationally efficient one-stop digital asset solution, encouraging broader institutional crypto adoption and empowering institutions to provide crypto products to their customer base. Launching new offerings for our on-chain services is expected to drive profitability, given gross profit margins were over 90% during the Track Record Period.

**Asset management services.** We are launching funds with dedicated strategies related to digital asset treasury markets, targeted at institutions hoping to gain exposure to crypto and potentially providing attractive returns to our capital partners. We are currently conducting fundraising for our digital asset treasury strategies with a target size of US\$300 million-US\$500 million. Launching new offerings for our asset management segments is expected to drive profitability, given gross profit margins were over 95% during the Track Record Period.

**Stablecoins.** We made a strategic investment in RD InnoTech Limited as part of our initiative to gain a first-mover advantage in the stablecoin vertical. The stablecoin vertical refers to a specialized industry segment or business model built around creating, issuing, managing, or providing services such as lending, payments, and/or custody for stablecoins. Stablecoins are expected to play a key role as we roll out our pay finance offerings, such as enabling more efficient trading settlement and allowing customers to more efficiently complete cross-border remittances at lower costs. To facilitate stablecoins adoption in cross-border commerce, we are actively communicating with various cross-border payment companies to construct the compliant tech stack required for supporting cross-border stablecoin-based payment. With global stablecoin value expected to grow at a CAGR of 61.7% from 2024 to 2029, reaching a total value of US\$2,251 billion, we expect our profitability to improve with

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increasing stablecoin adoption, as stablecoin provides customers with multiple monetization touchpoints within our ecosystem. The Stablecoins Ordinance came into effect on August 1, 2025, which provides a comprehensive regulatory regime in Hong Kong for issuers, distributors and other intermediaries of stablecoins. If we conduct any stablecoin-related activities in the future, we will need to comply with the applicable laws and regulations, such as the Stablecoins Ordinance.

### *(ii) Expanding customer base*

We have a proven track record of scaling our customer base, attributable to our trust and compliance brand awareness, as well as effective outreach strategies targeted at both retail and institutional customers.

**Retail customers.** We attract retail customers through various strategies. In October 2025, we jointly launched a credit card with a commercial bank. This helps us acquire high quality retail customers through credit card issuance, while smoothly onboarding them to our platform through providing compliant on/off-ramp. In addition, we host conferences and seminars to improve brand awareness and drive customer conversion. We also leverage social media platforms (e.g. collaboration with key opinion leaders) to promote HashKey's offerings, thereby developing a potential customer pipeline through continuous engagement. Going forward, we will target high-net-worth-individuals from private banks as we expand our customer base. After consultation with local counsels in our major jurisdictions, our Company is of the view that we conducted our operations in compliance with applicable advertising and promotion laws and regulations in major jurisdictions where we operate in all material aspects during the Track Record Period and up to the Latest Practicable Date.

**Institutional customers.** Institutional customers are a key driver for our platform growth given their higher and more stable trading volumes. With increasing regulatory clarity and expanding digital asset use cases, institutional customers are rapidly increasing their asset allocation to digital assets. Regulatory initiatives such as the U.S. GENIUS Act (2025), the EU's Markets in Crypto-Assets Regulation (2023), and Hong Kong's Virtual Asset Trading Platform regime (2023) are effective in fostering a safer and more robust digital asset environment. This attracts more traditional financial institutions, corporates and family offices to adopt digital assets as part of their business strategies. To ride on this trend, we expect to maintain our focus on institutions, while also expanding our sales and marketing team to provide targeted outreach and coverage for institutional customers. We host industry events which provide us with regular touchpoints to connect and maintain dialogues with our industry partners. For example, we are the co-hosts of Hong Kong's Web3 Festival, Hong Kong's premier and large-scale digital asset conference. We are also developing solutions aimed at institutional customers, such as providing aggregated transaction order panels enabling institutional customers to navigate the market more closely and execute transaction with various strategies, to further attract and engage institutional customers on our platform. For the

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three months ending September 30, 2025, we experienced strong growth in institutional customer acquisition, with 134 new institutional customers completing KYC, representing a 17.0% increase in the total number of institutional customers completing KYC compared with the figure as of June 30, 2025.

**Omnibus customers.** There is an increasing number of securities firms and financial institutions upgrading their existing licenses to provide digital asset services. Leveraging on this trend, we provide omnibus account solutions for licensed securities firms and financial institutions to serve their end customers. As of the Latest Practicable Date, we established partnerships with 39 securities firms. Moreover, we are currently in discussions with over 20 other securities firms to further expand our network, which are expected to contribute trading volume from 2026 onwards. Beyond the Hong Kong market, we are also replicating and providing our omnibus solutions to local financial institutions in other jurisdictions. Our omnibus account solutions enable end customers of these securities firms to directly access our digital asset trading services from existing accounts through a connected API. This broadens our customer base and increases trading volume, thereby improving liquidity.

Revenues from our transaction facilitation services (which contributed to 71.8% of our total revenue for the year ended December 31, 2024) are primarily generated from trading fees charged on matched orders, which is charged as a percentage of trading volume. With higher trading volumes on our platforms driven by a greater number of customers, we are able to scale up our revenues from transaction facilitation services, driving our profitability.

	Year ended December 31,	Year ended December 31,	Nine months ended September 30,
	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
		<i>(in billion)</i>	
<b>Trading volume</b> . . . . .	<b>328.0</b>	<b>638.4</b>	<b>377.1</b>
Retail customers . . . . .	262.2	353.0	49.9
Institutional customers . . . . .	65.8	273.7	262.3
Omnibus customers . . . . .	–	11.7	65.0

**Market expansion.** We will continue strengthening our position in the Hong Kong market by further improving market penetration and unit economics. For our Bermuda Exchange business, we launched compliant on/off ramp services on our platform in October 2025, which will further enhance liquidity and support our growth and market position. In addition, we are planning to expand our footprint beyond Asia, targeting underserved and underpenetrated markets such as Europe as a next step. We will implement localization strategies such as local currencies and local trading pairs to enlarge customer base and increase trading volumes.

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### *(iii) Improving operating leverage by managing cost efficiency*

While we incurred relatively sizeable expenses during the Track Record Period, our expenses as a percentage of revenue demonstrated a declining trend. During the Track Record Period, our operating expenses as a percentage of revenue significantly decreased from 393.5% in 2022 to 351.2% in 2023, and further decreased to 219.2% in 2024. It subsequently decreased from 239.7% in the six months ended June 30, 2024 to 185.7% during the same period in 2025. Going forward, we expect our cost of revenues and operating expenses as a percentage of our total revenue to decrease as we benefit from the improved economies of scale and higher operational efficiency, positively driving long-term profitability.

**Gross profit margins.** Gross profit margins of our transaction facilitation services amounted to 83.6%, 65.4% and 50.1% for the years ended December 31, 2023, 2024 and the six months ended June 30, 2025, respectively. The decrease in gross profit margins was primarily attributable to the newly launched exchange business having lower gross profit margins than on-chain services and asset management services. Going forward, we expect gross profit margins of our transaction facilitation services to improve, driven by SFC's guidance to promote shared liquidity pool enabling order matching and execution across platforms, and liquidity provider expenses to decrease as exchange operations and trading volume scale up, leading to better price discovery and liquidity on our platform. Gross profit margins of our on-chain services and asset management services maintained at a high level of over 90% throughout the Track Record Period, and we expect this to remain stable going forward.

**Research and development expenses.** As a percentage of revenue, our research and development expenses were 191.5%, 156.0%, 77.2%, 67.3% and 79.3% in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively, with the gradual decline highlighting economies of scale. Going forward, we expect our research and development efficiency to improve, as we focus our investments in key areas. Leveraging our robust and scalable blockchain infrastructure, we are able to implement new initiatives at lower marginal costs. We are strategically prioritizing high-return initiatives such as exchange matching engines, custody tooling, staking operations and tokenisation middleware, while keeping our investment modular and scalable. As a result, we expect research and development expenses as percentage of revenue to continue the declining trend.

**Sales and marketing expenses.** As a percentage of revenue, our sales and marketing expenses were 61.5%, 70.6%, 54.1%, 49.6% and 63.9% in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively, with the gradual decline highlighting operational efficiency improvement. We previously recorded relatively high sales and marketing due to branding activities and marketing campaigns following the commencement of our Hong Kong exchange operations in the third quarter of 2023 and the subsequent expansion of our exchange platforms. Going forward, while we expect to continue our marketing investments to capture

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the outsized market growth, we expect higher marketing efficiency as we develop network effect, elevate our brand equity and leverage on organic channels to drive increases in our customer base. As a result, we expect sales and marketing expenses as percentage of revenue to continue the declining trend.

**General and administrative expenses.** As a percentage of revenue, our general and administrative expenses were 140.5%, 124.6%, 87.8%, 122.9% and 42.5% in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. General and administrative expenses as a percentage of revenue demonstrated an overall downward trend. The relatively high percentage in 2024 was mainly driven by implementation of an employee incentive plan which is non-cash in nature. Going forward, we expect to continue our efforts in streamlining support functions through AI-enabled automation and centralized business operations. Our integrated automatic KYC and AML screening, anomaly detection and surveillance systems have significantly reduced time required for manual review while maintaining robust risk controls. We also expect to utilize smart contracts to streamline record-keeping, enable efficient and scalable transaction processing, while minimizing errors. These investments allow us to support larger trading volumes at lower marginal costs. Moreover, we are optimizing headcount across functions and leveraging digital tools in internal processes to save costs. As a result, we expect general and administrative expenses as percentage of revenue to continue the declining trend.

Our long-term sustainability of business is underpinned by favorable secular tailwinds, including regulatory clarity, growing institutional adoption, accelerating tokenisation of RWAs and stablecoins, and shifting of financial activities on-chain. Anchored in a compliance-first operating model and supported by our fully licensed infrastructure, we have built a platform that commands trust, attracts high-quality counterparties, and provides us with premium distribution channels, effectively reaching and monetizing our retail and institutional customers. Our diversified revenue engines span transaction facilitation services, on-chain services and asset management services. This reduces cyclicality and creates multiple drivers of growth, while our disciplined execution roadmap enables us to scale volumes and introduce higher-margin, faster-turnaround products. At the same time, we are demonstrating operating leverage as the company's research and development expenses and compliance related expenses are expected to remain relatively stable as revenue grows. As a result, increase in revenue will directly support a turnaround and enable us to achieve positive operating cash flow, achieving economies of scale. This shows that we are operating a sustainable business model with a clear, actionable and measurable pathway to long-term profitability.

Based on the foregoing, our Directors and the Joint Sponsors believe that our business is sustainable.

### SALES AND MARKETING

#### Overview

We enhance our brand awareness and expand our customer base by providing compliant services, coupled with targeted marketing initiatives. We primarily rely on word-of-mouth referrals from our existing institutional clients and Web3 developers as well as effective online and offline marketing efforts. A significant portion of our new clients is referred by existing clients who have benefited from our integrated platform and licensed services. We also leverage strategic partnerships with industry leaders to boost our brand visibility and strengthen our reputation in the digital asset space. In addition, we utilize various online marketing channels, such as search engine optimization, content marketing and advertising campaigns across prominent platforms like social media and industry-specific forums. We aim to drive organic traffic and engagement through targeted campaigns designed to highlight our platform's value propositions, including licensed digital asset services and Web3 infrastructure.

#### Sales force

Our sales strategy is based on strong collaboration with local business partners in each of our key markets, enabling us to deliver tailored solutions and bespoke customer service. As of June 30, 2025, we had 68 sales and marketing staff. At the organizational level, our headquarters oversees overall management and provides critical support in areas such as contract administration, sales planning and solutions marketing, ensuring that we meet the specific needs of institutional clients, Web3 developers, and business partners across various regions.

### DATA SECURITY

We are committed to ensuring the highest level of protection for the data privacy and security of our clients, partners and users. As an established platform in the digital asset services market, we recognize the importance of safeguarding sensitive information and ensuring the secure processing of data across all transactions. To achieve this, we have implemented a comprehensive set of data security measures, backed by advanced frameworks and global compliance standards.

#### Data security system

At the core of our cybersecurity approach is a robust security architecture designed to protect sensitive data from unauthorized access, alteration or loss. Our systems are built to comply with the highest standards of security, including ISO 27001 certification for Information Security Management and SOC 1 Type 2 and SOC 2 Type 2 attestations. This framework ensures that all data transmitted across our platform is encrypted and that our infrastructure is continually monitored for potential vulnerabilities.

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We deploy advanced firewalls to monitor and filter network traffic, effectively preventing unauthorized access and ensuring the security of critical systems and data. Automated data backups are performed regularly, with encrypted copies stored in secure off-site locations to support rapid recovery in the event of system failure, data corruption, or cyberattacks. A formal disaster recovery plan is in place and tested regularly to ensure business continuity and swift restoration of operations in case of security incidents. We operate a security operations center that provides continuous, real-time monitoring of critical systems and network traffic to identify potential security threats.

We have established a multilayer custody and wallet security framework to safeguard digital assets held on our platforms. No less than 98% of client digital assets are stored in cold wallets under multi-signature control, with private keys managed in certified HSMs and stored in physically segregated environments. Access to wallet operations is governed by strict segregation of duties, multi-factor authentication, and dual control approval procedures. All withdrawal requests are subject to address whitelisting, velocity and threshold limits and risk-based reviews to detect anomalous activity. For real-time threat detection and response, we deploy CrowdStrike Falcon, an industry-leading endpoint detection and response platform that leverages artificial intelligence to detect and prevent cyber threats in real time. This cloud-native solution provides continuous 24/7 monitoring and enables rapid incident response within minutes, detecting stealthy behavioral indicators of attack regardless of whether threats execute in-memory or on disk. For data encryption, we employ AES-256 encryption, which is recognized as the industry standard for protecting highly sensitive financial data and meets the most stringent regulatory requirements. All data in transit is secured using TLS 1.2, which incorporates enhanced hashing algorithms (SHA-256/SHA-384) and AES cipher suites supporting authenticated encryption modes. Regarding cold wallet security, we strictly adhere to the requirements set forth in the SFC Guidelines for virtual asset trading platform operators. All cryptographic seeds and private keys are generated offline and stored in secure environments within Hong Kong. We maintain robust internal controls ensuring air-gapped signing terminals, dedicated hardware devices for transaction approval, and multiple independent verification checks before any transaction is broadcast to the network.

### **Data collection and usage**

We collect and process data related to user identification, transaction history and digital asset holdings, in accordance with relevant data protection laws. Specifically, we gather data such as:

- User identification data (e.g., mobile numbers, email addresses, KYC documents)
- Transaction data (e.g., payment information, account details)
- User activity data (e.g., platform interactions, asset holdings)

This data is collected only with prior user consent and is used to provide secure services, ensure smooth transactions, and enhance platform functionality. Our data usage policy clearly defines the scope of data collection, which is shared with users through our privacy policy available on our platform. We ensure compliance with local and international regulations, such as Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong), and Personal Data Protection Act.

### **Data protection measures**

We adopt a zero trust security model, under which no user or device is trusted by default, whether internal or external. All access requests are authenticated, authorized, and continuously validated based on identity, context, and behavior. Access rights are strictly limited based on the principle of least privilege and reviewed regularly.

We utilize advanced encryption technologies to safeguard all sensitive data, including encryption of transaction data and secure communication channels. Additionally, we implement MFA for user logins, and transaction execution is managed through a whitelisting mechanism that prevents unauthorized transfers. To further enhance data protection, we have implemented data exfiltration prevention controls that restrict unauthorized data transfers to external destinations. All outbound data flows are closely monitored to detect and prevent potential data leakage or malicious activity.

We maintain a high standard of internal data privacy protocols, with clearly defined access control policies that ensure only those employees who need access to certain data can view or handle it. Our role-based access control (“**RBAC**”) system further minimizes the risk of unauthorized access, ensuring that data is only accessible by personnel with appropriate permissions.

In addition, to prevent fraudulent or criminal activities, we maintain a dedicated anti-fraud and transaction surveillance framework integrated with our compliance systems. This includes blockchain analytics for on-chain transaction monitoring, KYT checks, device fingerprinting, behavioral anomaly detection, and velocity limits for suspicious transfers. Alerts are triaged in real time by our risk control and compliance teams, who may temporarily suspend accounts, freeze assets, or escalate cases to law enforcement in accordance with applicable laws. Our internal control consultant confirms that its assessment involved reviewing and evaluating the design and operating effectiveness of our key controls over data security during the review period from August 1, 2024 to July 31, 2025. Based on its report issued on September 29, 2025, our internal control consultant advises us that our control measures for data security, as outlined in the relevant policies and procedures, are adequate and effective in both design and operational execution, with reference to the agreed scope of work as outlined in the engagement letter.

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We conduct rigorous IT audits through a dual-assurance model comprising both internal and external assessments. Internal IT audits are performed annually by our internal audit department, providing independent appraisal of the adequacy and effectiveness of IT controls. Additionally, external technology assessments are conducted annually by qualified independent external assessors as required under the SFC's regulatory framework for licensed VATPs. The scope of these audits covers general IT controls over key systems, including the exchange platform infrastructure, encompassing platform reliability, platform security, capacity and stress testing, system and data backup, data integrity and confidentiality, user access management, patch management, and end-point protection. Furthermore, we conduct regular penetration testing covering network devices, firewalls, servers, databases, wallets, and web applications at both application and network layers. Vulnerability assessments are performed to identify, rank, and report vulnerabilities based on risk level. Source code reviews are undertaken to ensure business logic integrity, detect potential security flaws, and verify the absence of vulnerabilities in the codebase through both automated scanning tools and manual inspection by qualified security personnel. These assessments ensure continuous alignment with the SFC's expected cybersecurity standards and provide assurance of smooth operation, information security, system resilience, and business continuity.

### **Third-party security and compliance**

We work with trusted third-party vendors for services such as cloud infrastructure and payment processing. To manage third-party risks, we carry out due diligence before onboarding and on a regular basis, and require contractual commitments such as confidentiality and security provisions, supplemented by ongoing monitoring and service reviews. In addition, we conduct regular internal and external audits, including penetration testing and security assessments, to evaluate the effectiveness of our controls and ensure compliance with international data protection standards.

### **Incident response and risk management**

Our incident response plan outlines the steps we take in the event of a security breach, from containment to notification. Supported by our 24/7 incident response team and SOC monitoring, we are able to quickly isolate and address security risks and notify affected parties in accordance with applicable regulations. We conduct regular security drills and employee training to maintain a high level of preparedness for any potential data security incident. We have also established escalation and coordination procedures with law enforcement authorities to enable timely cooperation in the event of suspected illicit activities or asset seizures, ensuring that our platform operates in full compliance with applicable regulatory and legal requirements.

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### **Continuous improvement and employee training**

To maintain the integrity of our data security practices, we conduct ongoing internal and external audits and employee training to raise awareness about data privacy. Our employees are required to sign confidentiality agreements, committing to the protection of user data and compliance with internal security standards. We provide continuous security training to all employees, covering topics such as data security, security and fraud awareness, risk management and others, ensuring they are informed of the latest data protection threats and best practices.

During the Track Record Period, we have not experienced any material security breach, cyberattack or data loss incident. During the Track Record Period and up to the Latest Practicable Date, our Directors confirm that we had not been and were not involved in any material non-compliance incidents relating to cybersecurity laws and regulations.

### **INTELLECTUAL PROPERTY**

Intellectual property is a key driver of our success and compactivity. We currently hold a range of intellectual property rights that are integral to the operation of our platform and the development of our services. As of June 30, 2025, we have applied to register 148 trademarks, with 30 of them already registered at the Hong Kong Trade Marks Registry. Additionally, we have applied to register 118 overseas trademarks, with all applications approved for registration by the regulatory authorities in the relevant jurisdictions.

We regularly update and enhance our intellectual property management system to align with our business growth and technological advancements. We ensure that key intellectual property rights, particularly those critical to our platform and service offerings, are registered in relevant categories and jurisdictions. Additionally, we require employees involved in the development of intellectual property to sign agreements assigning such rights to us, ensuring that all innovations are legally protected.

During the Track Record Period and up to the Latest Practicable Date, we are not aware of any material infringement (i) by us of any intellectual property rights owned by third parties, or (ii) by any third parties of any intellectual property rights owned by us. However, unauthorized use of our intellectual property by third parties and the associated costs of protecting our intellectual property rights may adversely affect our business and financial performance. For details, see “Risk Factors — Risks Related to Our Business and Industry — We may not be able to adequately protect or enforce our intellectual property rights, and our efforts to do so may be costly and ultimately unsuccessful. Confidentiality agreements and non-compete covenants may similarly fail to adequately safeguard our trade secrets.”

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### COMPETITION

As a pioneer in the digital asset service market, we operate in a highly competitive market shaped by rapid technological advancements and increasing global demand for digital asset services. Intensifying competition from established global and regional players poses challenges as they continue to expand their technological capabilities and product offerings. The rapid pace of innovation in the digital asset industry presents significant opportunities, but also requires us to commit to our long-term strategies, develop product offerings that adapt to the evolving needs of our clients and industry trends, strengthen our technology capabilities and expand our license coverage. For a more detailed discussion of the markets in which we operate and the competition we face, see “Industry Overview.”

### EMPLOYEES

As of June 30, 2025, we had 335 full-time employees, respectively. Substantially all of our employees were based in Hong Kong, with the remaining based across global locations, including Singapore, Japan, Malaysia, and Middle East and North Africa. The following table sets forth the number of our employees by function as of June 30, 2025:

Function	As of June 30, 2025	
	Number of Employees	% of Total
Compliance, risk and operation . . . . .	133	39.7
Research and development . . . . .	71	21.2
Sales and marketing . . . . .	68	20.3
General and administrative . . . . .	63	18.8
<b>Total . . . . .</b>	<b>335</b>	<b>100.0</b>

In addition to our full-time workforce, we also outsource a small number of personnel on contract basis.

We are committed to adhering to local legislation regarding retirement schemes. We comply with the Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong) by enrolling and making statutory contributions for eligible Hong Kong employees. Similarly, we follow Singapore legislation to ensure that we make the necessary contributions to the Central Provident Fund (“CPF”) for eligible Singapore employees. These compliance measures are intended to safeguard the retirement benefits and financial well-being of our employees.

We incorporate confidentiality and non-compete provisions into our employment contracts. These provisions apply to all employees, including senior management and core staff members, ensuring a comprehensive approach to protecting our intellectual assets. The confidentiality terms mandate that employees maintain the confidentiality of technology and

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trade secrets, preventing unauthorized disclosure that could harm our competitive position. Additionally, the non-compete provisions restrict employees from engaging in competitive activities during their employment and for a period of one to three months following termination. Such measures protect our intellectual assets, maintain operational integrity and mitigate potential risks associated with employee departures.

We continuously invest in the training and career development of our talents. We strive to provide all employees, including engineers, with comprehensive social benefits, a diverse working environment and extensive opportunities for professional growth. We also place strong emphasis on building a robust talent pipeline and fostering a cohesive organizational culture. To enhance employees' skills, strengthen regulatory awareness and support personal and career development, we have established a holistic training and development system, including New Employee Orientation, Annual Mandatory Training, such as AML, and ongoing professional programs designed to upgrade knowledge, obtain qualifications and develop skills that keep pace with industry changes. These initiatives are intended to improve both employees' job performance and their long-term employability.

### PROPERTIES

We lease certain properties in Hong Kong, primarily for use as offices. According to Section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Cap. 32L of the Laws of Hong Kong), this Prospectus is exempted from the requirements of Section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong), which mandates a valuation report for all our interests in land or buildings. This exemption applies because, as of June 30, 2025, none of our properties have a carrying amount of 15% or more of our consolidated total assets.

#### Leased properties

As of the Latest Practicable Date, we have 2 leased properties in Hong Kong, covering a total area of approximately 1,673 sq.m. These properties are primarily used for office purposes. All leases mentioned above have been registered and filed with the relevant authorities as of the Latest Practicable Date.

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”)

We are deeply committed to the implementation of sustainable development. Guided by our mission of “making digital assets accessible to all,” we have integrated the cultural values of “focus, innovation, win-win, and growth” into our development. We actively strengthen our social responsibility management, fully and proactively fulfill our ESG duties, and incorporate ESG concepts into our day-to-day operations and long-term strategies.

As an established integrated digital asset company in Asia with a global presence, we offer end-to-end financial infrastructure, technology, and investment management to build a comprehensive digital asset ecosystem. We aim to create a more empowering and inclusive financial ecosystem for billions of people worldwide by providing compliant, secure, and trustworthy services and infrastructure, bridging the traditional financial world with the emerging digital financial realm.

### **ESG Governance Framework**

In line with our strategic planning for sustainable development, we are committed to establishing a comprehensive ESG governance framework. We have formulated the *HashKey Holdings Sustainable Development ESG Management System*, which is predicated on the proactive fulfillment of corporate social responsibility. This system clarifies that in the course of business management, ESG and other relevant factors must be taken into account in an integrated manner to achieve coordinated development among the economy, environment, and society. It also ensures the robustness and transparency of governance, thereby providing a strong safeguard for our long-term sustainable development.

We plan to designate the Board of Directors as the highest decision-making body and supervisory organization for ESG matters. It will be responsible for reviewing and approving our ESG management system, as well as determining our ESG reports and significant ESG matters. The strategies and investor relationships departments will serve as the research and guidance body for ESG work. It will be in charge of coordinating internal and external efforts, researching ESG-related laws, regulations, policies, and material issues, identifying and managing ESG risks and opportunities, and guiding day-to-day ESG activities and report preparation. Its Strategic Investment Department will be responsible for understanding the demands of stakeholders, analyzing material issues, and executing the collection, preparation, and disclosure of information for ESG reports. All departments and subsidiaries will act as the implementing units for ESG work. They will carry out ESG tasks within their scope of responsibility according to our overall plan and regularly report on their implementation progress.

Going forward, we will continue to enhance our ESG governance standards. Through a stable governance structure, we will ensure the long-term and effective implementation of ESG strategies to achieve our sustainable development goals.

### **Risk Management and Internal Control Framework**

For overall risk management, we have established a “three lines of defense” risk governance structure that balances both top-down and bottom-up approaches. This framework involves department members (risk owners), the Risk Management Committee, and the Board of Directors. It defines a comprehensive risk management process — from identifying the risk context, conducting risk assessment (identification, analysis, and evaluation), and implementing risk treatment, to risk reporting and monitoring.

We have also established clear definitions and classification standards for risk events. Based on different levels of risk severity, corresponding reporting, management, and response requirements have been defined.

At the same time, these specialized subcommittees, focusing on information management and security, HSK management, technology risk, compensation, and auditing, promote cross-departmental coordination, risk information sharing, and alignment of internal control measures, thereby forming a robust and comprehensive internal control management system.

### **Environmental Metrics and Management**

We are committed to promoting sustainable development by implementing internal policies in our day-to-day operations to embrace energy-saving and environmental protection concepts and to reduce our overall environmental impact.

#### *Emissions and Resource Consumption*

Our main business is built around digital assets, and we do not directly participate in the manufacturing process. Our resource consumption is mainly focused on electricity and water usage in daily office operations. Therefore, we do not directly generate a large amount of industrial waste, wastewater, or exhaust gases. Waste mainly consists of daily household garbage from employees. Wastewater primarily comes from employees' daily living water usage. Our overall water resource consumption is relatively low, and the risk of water environmental pollution is controllable.

However, we still actively advocate the concept of energy saving in the office, remind employees to turn off lights, electronic devices and air conditioners when they are not in use, and eliminate energy waste. At the same time, we encourage employees to work in a paperless manner to reduce paper waste and truly integrate the concept of environmental protection into the details of daily work.

In our office operations, we promote ESG principles through multiple initiatives:

- We use automatic sensor LED lighting that switches off in unoccupied areas outside of working hours to reduce electricity consumption;
- We maximize the use of natural light wherever feasible, without compromising work productivity;
- We conduct regular inspections and maintenance of lighting equipment to prevent unnecessary power consumption caused by malfunction; and
- We implement waste segregation for dry and wet waste to improve waste management efficiency from the source.

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To enhance waste management, reduce related emissions, and support the goal of carbon neutrality, we aim to implement a recycling program. Alongside providing training for employees on waste segregation and disposal, we plan to set up various recycling bins in the office to collect waste materials such as paper and plastics. This initiative seeks to promote waste reuse and further advance the ESG principles within our workplace.

During the Track Record Period, the specific situation of our resource consumption is as follows:

<u>Resource Categories</u>	<u>Unit</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025 Jan-Jun</u>
Electricity . . . . .	MWh	217.2	238.2	240.5	117.3
Water. . . . .	MT	45.9	55.5	58.3	29.7

Based on our current business operations and industry practices, and in order to actively promote the sustainable transformation of the industry, we aim to keep the per capita electricity and water consumption in our offices at the current level, and strive to reduce per capita water consumption. In 2024, our average annual electricity consumption is 0.6 MWh per employee, and the average annual water usage is 0.1 metric tons per employee. Although we do not directly participate in product manufacturing, we still fully consider the impact on ecology and the environment. We will continue to conduct relevant audits of our suppliers and actively reduce our internal energy consumption and environmental pollution, thereby comprehensively improving resource utilisation efficiency. We have set clear environmental reduction targets as part of our sustainability strategy. We aim to reduce our per-capita water and electricity consumption by 5% from 2025 to 2030.

### ***Carbon Management***

Our carbon emissions mainly stem from electricity and water usage, as we do not own any factories. Moreover, since we have not purchased any vehicles or equipment, there are no carbon emissions resulting from employees using company vehicles. Nevertheless, we continue to actively promote ESG concepts to reduce carbon emissions generated by our operations. We target achieving net-zero greenhouse gas emissions by 2050.

To reduce carbon emissions, we have implemented the following measures:

- We encourage and primarily adopt online meetings to minimize business travel-related emissions;
- We actively promote the use of online collaboration tools such as Lark and Microsoft Suite to reduce paper consumption; and
- Our printers are set to default duplex (double-sided) printing mode to further decrease paper usage.

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During the period covered by this report, the specific details of our carbon emissions are as follows:

Categories	Unit	2022	2023	2024	2025 Jan-Jun
Scope 1 . . .	N/A	N/A	N/A	N/A	N/A
Scope 2 . . .	Metric tonnes of carbon dioxide equivalent.	147.7	162.0	163.6	79.8
Scope 3 . . .	Metric tonnes of carbon dioxide equivalent.	N/A	N/A	1.9	1.0

*Notes:* Our main business involves virtual assets. We do not use fuel and have not purchased any vehicles or equipment, so there are no direct emissions.

Our Scope 3 carbon emissions sources are waste paper and water use. Emissions generated by employee business travel are not available due to the lack of a well-established statistical system. We will continue to optimize carbon emission statistics in the future.

### A Comparable Analysis of the ESG-Related Metrics with Industry Peers

By conducting a horizontal comparison of key indicators among peers, we can accurately pinpoint our position within the industry, thereby setting the direction for subsequent strategic adjustments and action planning.

The specific comparison with peer companies based on the indicator of average greenhouse gas emissions per employee (Scope 1 + Scope 2) in 2024 is as follows:

Company	Unit	2024
HashKey . . . . .	Total carbon dioxide emissions in metric tons/total number of employees	0.40
Company A . . . . .	Total carbon dioxide emissions in metric tons/total number of employees	0.47

ESG performance not only reflects each company's achievements in environmental, social, and governance practices but has also become a key benchmark for measuring corporate competitiveness and resilience. Our per-employee greenhouse gas emissions align with industry peers, and we will continue to uphold a low-carbon, environmentally sustainable development model while advancing ESG principles.

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### Social Indicators and Management

We actively fulfill our social responsibilities by collaborating with employees, customers, partners, communities, and other stakeholders to collectively build a positive social impact for us. Through safeguarding employee rights, supporting career development and training, establishing sustainable supply chains, protecting data security and customer privacy, and participating in social welfare activities, driving an increase in social responsibility awareness within the industry and enabling sustainable development.

#### *Employee Hiring Status*

We strictly obey the Hong Kong Employees Regulations and relevant labor laws and regulations, employing personnel legally in accordance with legal requirements. We advocate for equal employment opportunities, safeguard employees' fundamental rights and interests, implement relevant national policies and regulations, and oppose all forms of forced labor. We actively prioritize employee welfare and development, striving to provide equitable compensation plans and career advancement pathways to enhance employee cohesion and sense of belonging.

As of June 30, 2025, our employee hiring status is as follows:

#### By gender distribution

<u>Date</u>	<u>Number of male employees currently employed</u>	<u>Number of female employees currently employed</u>
As of June 30, 2025 . . . .	212	159

#### By age distribution

<u>Date</u>	<u>&lt;30</u>	<u>30~50</u>	<u>&gt;=51</u>
As of June 30, 2025.	104	250	17

#### By employment type distribution

<u>Date</u>	<u>Full-time</u>	<u>Part-time</u>
As of June 30, 2025 . . . .	335	36

- **Anti-discrimination:** We are committed to fostering a work environment of mutual respect, explicitly prohibiting any form of harassment or discrimination due to race, gender, disability, family status, ethnicity, religion, or other protected grounds. In order

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to effectively safeguard employees' legal rights and interests, we encourage employees who encounter such behavior to report it to their supervisor or the Human Resources Department. We will address related issues in a fair, efficient and legal way.

- **Safeguarding employee rights and interests:** We strictly safeguard our employees' fundamental rights in areas including human rights protection, employment recruitment, compensation and benefits, and health and safety. We do not employ child labor in accordance with the law and oppose all forms of forced labor. We provide benefits exceeding the hiring standard and guarantee additional leave such as annual leave and paid sick leave. Furthermore, we ensure a one-hour lunch break, guarantee rest days on Saturdays, Sundays, and public holidays, thereby safeguarding employee welfare.

### *Employee Development and Training*

We are highly committed to and fully support employees' career path planning and continuous professional skill development, ensuring that personnel at all levels possess the knowledge and skills required for their respective roles, and providing employees with clear career promotion opportunities. During the Track Record Period, we progressively enhanced our career development and vocational skills training. The number of training instances increased significantly from 967 in 2024 to 2,731 in the six months ended June 30, 2025, reflecting our growing emphasis on employee capability building.

#### *Employee development*

We have established a comprehensive system for employee career development, implementing standardized recruitment, promotion, and performance evaluation mechanisms to ensure fairness and efficiency in the entire talent management process. An annual promotion window is set to provide employees with clear career pathways and a scientific incentive framework.

#### *Employee training*

We continuously drive the enhancement of employees' professional knowledge and skills by conducting annual training programs covering ethics, compliance, product codes, and various specialized courses. We organize new employee orientation, ongoing staff training, and provide training funding to support self-directed learning. Additionally, the Group has established an online learning platform. We provide a variety of approaches to assist employee development.

### *Sustainable Supply Chain*

We consistently integrate sustainable development concepts into supply chain management, establishing an evaluation mechanism based on environmental, social, and ethical standards to ensure supply chain compliance and resilience. We strengthen management in aspects including supplier admittance, supplier assessment, and monitoring mechanisms to build a green, efficient, and shared-responsibility supply chain ecosystem.

#### *Supplier selection*

We have established a comprehensive supplier management system covering the entire process, implementing systematic and standardized controls covering key processes including admittance review, dynamic assessment, and compliance supervision. During collaboration, we implement supplier tiered management based on performance and capabilities, conducting due diligence and qualification assessments ahead of cooperation to ensure quality control from the beginning.

We comprehensively identify environmental and social risks within our supply chain, establishing dual requirements for suppliers: for environmental dimension, we prioritize partners with environmental certifications, advancing carbon management, enhancing resource efficiency, and implementing sustainable materials and circular economy; for social dimension, suppliers must obtain occupational health management system certification, ensure fair compensation and reasonable working hours, strictly prohibit child labor and forced labor, foster a diverse and inclusive environment, and create positive value for communities.

#### *Sustainable supply chain management*

We actively monitor supply chain sustainability by commissioning third-party independent agencies to conduct unannounced audits of suppliers. We regularly assess suppliers' ESG performance, and the assessment results are linked to order volume or eligibility for cooperation.

The evaluation criteria focus on three dimensions: environmental, social, and governance, with particular emphasis on compliance. We focus on verifying whether suppliers comply with laws and regulations (such as labor laws and environmental protection laws), and investigate past illegal records and accident response times.

Additionally, we will consider geographic and industrial risks to assess whether suppliers are located in high-risk regions or operate in high-risk industries. Evaluation results are categorized into three levels: green light, yellow light, and red light. For green light suppliers, normal cooperation continues with periodic spot checks. For yellow light suppliers, a rectification plan must be developed and reviewed within six months. For red light suppliers, cooperation is suspended or terminated until rectification meets standards.

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We maintain regular communication with suppliers, conduct annual all staff policy briefings, review quarterly compliance progress with key suppliers, and send monthly policy updates or reminders to ensure supply chain stability and sustainability.

### *Intellectual property protection*

We have established a comprehensive intellectual property management system. As of June 30, 2025, we have applied to register 148 trademarks, with 30 of them already registered at the Hong Kong Trade Marks Registry. Additionally, we have applied to register 118 overseas trademarks, with all applications approved for registration by the regulatory authorities in the relevant jurisdictions.

### *Privacy and data security*

We place high importance on data security and customer privacy. We actively ensure and implement aspects of data security and customer privacy protection to guarantee legal compliance in information management.

- **Data security management:** We prioritize data security management and have established a comprehensive data security management system, including physical, technical and procedural safeguards; encryption/security software for data transmission; authorized-personnel (role-based) access controls; and contractual obligations on data processors to prevent unauthorized or accidental access, processing, erasure, loss or use and to avoid retention longer than necessary, ensure data security and compliance throughout the entire process.
- **Customer privacy protection:** We strictly adhere to relevant laws and regulations, implementing rigorous data protection throughout the storage, transmission, and processing of data. We enforce personal information protection systems to effectively safeguard the security and privacy of customer information, continuously strengthening customer trust. We comply with PDPA (Singapore), PDPO (Hong Kong), EU GDPR, UK GDPR and VARA Data Protection Rules. We act as the Data Controller, collect personal data only for lawful and relevant purposes with accuracy measures, and apply purpose-limitation and retention controls so that personal data is not kept longer than necessary. We support data subject rights, including access, copy, correction, deletion and cessation under PDPA and PDPO, and additionally erasure, restriction, portability, objection and withdrawal of consent under EU GDPR and UK GDPR. We manage international transfers through consent and appropriate safeguards such as Standard Contractual Clauses or adequacy decisions. We provide designated contact channels, including a Data Protection Officer, and publish website notices for material policy updates.

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### *Anti-bribery and anti-corruption*

We strictly adhere to national anti-corruption laws and regulations, uphold business ethics and integrity standards, and continuously enhance our internal compliance governance system. The Compliance Department has established the Anti-Bribery and Anti-Corruption Policy and ensures its effective implementation and strict execution. Any violations must be reported to the department supervisor and the Compliance Department. The Compliance Department and anti-money laundering officers will conduct investigations and report findings to the board of directors and senior management. Any violations, suspicious activities, or transactions must be disclosed to the relevant regulatory authorities.

Additionally, an employee registry has been established. Any gifts or other items received from third parties must be promptly reported to the department supervisor and the Compliance Department by completing the designated form. Ensure that all violations related to bribery and corruption are documented and reviewed regularly as required, thereby effectively enhancing all employees' compliance awareness and integrity.

### **LICENSES, APPROVALS AND PERMITS**

As advised by the local counsels in our major jurisdictions, based on their due diligence, during the Track Record Period and up to the Latest Practicable Date, we obtained all material licenses and permits required for our business operations in the major jurisdictions where we operate, and all such material licenses and permits remained valid and in full force and effect. Our major jurisdictions of operation include Hong Kong, Singapore, the United Arab Emirates, Europe, Bermuda and Japan.

The following table sets forth the operations conducted in each jurisdiction.

Hong Kong . . . . .	transaction facilitation services, on-chain services, asset management services
Singapore . . . . .	transaction facilitation services, asset management services
UAE . . . . .	transaction facilitation services
Ireland . . . . .	transaction facilitation services*
Bermuda . . . . .	transaction facilitation services
Japan . . . . .	transaction facilitation services*

*Note:*

\* We have not officially commenced our operations in Ireland or Japan.

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The following table sets forth a summary of the material licenses, permits and approvals that we have obtained for our business operations as of the Latest Practicable Date.

No.	Holding Entity	License, Approval or Permit	Expiration Date
1 . . .	Hash Blockchain Limited (HK)	SFC Licences under the Securities and Futures Ordinance (Cap. 571): Type 1 Licence (Dealing in Securities) and Type 7 Licence (Providing Automated Trading Services)	N/A
2 . . .	Hash Blockchain Limited (HK)	Licence under the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615): Virtual Asset Trading Platform Licence	N/A
3 . . .	HashKey Bermuda Limited (Bermuda)	Class F Digital Asset Business license	N/A
4 . . .	HashKey Europe Limited (Ireland)	Virtual Asset Service Provider registration	N/A
5 . . .	HashKey MENA FZE (Dubai, UAE)	Virtual Asset Service Provider License from Virtual Assets Regulatory Authority and Virtual Assets License from Dubai World Trade Center Authority	Virtual Assets Service Provider License: N/A; Virtual Assets License: August 14, 2026
6 . . .	HashKey Custody Services Limited (HK)	Trust or Company Service Provider license (TCSP)	April 29, 2028
7 . . .	HashKey XPert Limited (HK)	Trust or Company Service Provider license (TCSP)	November 24, 2026

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No.	Holding Entity	License, Approval or Permit	Expiration Date
8 . . .	HashKey Technology Services Pte. Ltd. (SG)	Major Payment Institution license (MPI): Digital Payment Token Service	N/A
9 . . .	HBS (Hong Kong) Limited (HK)	SFC Licences under the Securities and Futures Ordinance (Cap. 571): Type 1 (Dealing in Securities) and Type 4 (Advising on Securities)	N/A
10 . .	HashKey Capital Limited (HK)	SFC licences under the Securities and Futures Ordinance (Cap. 571): Type 1 (Dealing in Securities), Type 4 (Advising on Securities), and Type 9 (Asset Management)	N/A
11 . .	HashKey Capital Singapore Pte. Ltd. (SG)	Capital Markets Services license (CMS): Fund Management	N/A
12 . .	Tokyo Hash Co., Ltd (JP)	Registration as a crypto asset exchange service provider	N/A

### LEGAL PROCEEDINGS AND COMPLIANCE

We are committed to adhering to the laws and regulations applicable to our business. During the Track Record Period and up to the Latest Practicable Date, as advised by the local counsels in our major jurisdictions, based on the Company's confirmation, we did not experience any non-compliance incidents that our Directors believe would, individually or collectively, have a material operational or financial impact on our business and operations as a whole.

To the best of our knowledge, none of our Company, any of its subsidiaries or licensed corporations within our Group, any of their respective responsible officers or licensed representatives, or any of its licensed virtual asset trading platforms or regulated funds, was subject to any disciplinary action or investigation or inquiry by any regulatory body or criminal investigatory body in the major jurisdictions where we operate, which our Directors believe would, individually or collectively, have a material operational or financial impact on our business and operations as a whole, during the Track Record Period and up to the Latest Practicable Date.

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From time to time, we may be involved in contractual disputes or legal proceedings arising from the ordinary course of our business. During the Track Record Period and up to the Latest Practicable Date, we were not subject to any claims, damages, or losses that would have a material adverse effect on our financial position or results of operations as a whole. Litigation or any other legal proceeding, regardless of the outcome, is likely to result in substantial costs and diversion of our resources, including our management's time and attention. For the potential impact of legal proceedings on us, see "Risk Factors — Risks Related to Our Business and Industry — We, our Directors, management, employees, and shareholders, as well as their affiliates may be subject to legal, regulatory, administrative proceedings, litigation, lawsuits, investigations and enforcement or disciplinary actions by regulators and governmental authorities in the future."

### **RISK MANAGEMENT AND INTERNAL CONTROL**

We have established and maintained a comprehensive risk management and internal control framework consisting of policies, procedures and monitoring mechanisms designed to support the integrity of our operations and ensure compliance with applicable legal and regulatory requirements. Our Board of Directors is responsible for overseeing the establishment and periodic review of our internal control systems, while our senior management monitors the daily implementation of internal control measures across our subsidiaries and functional departments. We are committed to continuously enhancing our risk management framework in response to changes in our operations, regulatory requirements and market conditions.

#### **Internal Control Risk Management**

We have adopted a set of entity-level and process-level internal control policies, supported by written procedures to provide clear guidance to management and employees. To further strengthen our framework, we have established an internal audit department which reports directly to the Audit Committee, thereby ensuring its independence and effectiveness.

In preparation for our proposed listing, we engaged an independent internal control consultant to conduct a review of our internal controls over financial reporting for the period from August 1, 2024 to July 31, 2025. The review involved interviews with relevant management, walkthrough testing, and sample testing of in-scope processes. No material deficiencies were identified. A number of non-material deficiencies were noted, including lack of formalized policies in certain operational areas, insufficient segregation of duties, and documentation gaps in supplier due diligence, asset management and IT system access. Management has taken steps to remediate these issues, including drafting new policies, formalizing approval workflows, strengthening segregation of duties and enhancing monitoring procedures. A follow-up review conducted between July and August 2025 confirmed that several deficiencies had been rectified, while the remaining are in progress with clear timelines for completion.

**Legal and Compliance Risk Management**

We have implemented robust compliance procedures to mitigate legal and regulatory risks. Our in-house legal and compliance department reviews all material contracts with customers, suppliers and business partners, ensuring that commercial arrangements are legally sound and counterparties hold necessary licenses and permits. The legal team also provides regulatory assessments for new products and upgrades, and obtains requisite governmental approvals or filings within prescribed timelines. We continuously monitor changes in laws and regulations across the jurisdictions in which we operate, and update our internal policies and templates accordingly. To ensure accountability, we have adopted an employee code of conduct that sets out standards on confidentiality, ethical behavior, negligence, anti-bribery and anti-corruption. Violations of internal rules are subject to disciplinary measures. Employees are provided with regular compliance training, which reinforces awareness of regulatory requirements and internal procedures.

All promotional materials involving KOLs are therefore subject to pre-approval and review by our internal compliance function to ensure adherence to these standards. We conduct due diligence on the background and representations of any KOL engaged, and we monitor their promotional activities on an ongoing basis to ensure continued compliance. We also require clear disclosure of any compensation or other potential conflicts of interest associated with the promotional arrangement. These controls are designed to ensure that all promotions conducted through KOLs or digital media platforms comply with applicable advertising and conduct requirements under the SFC's regulatory framework. We have implemented internal control measures to ensure that any promotional activities conducted through key opinion leaders or other media channels comply with applicable regulatory requirements. After consultation with local counsels in our major jurisdictions, our Company is of the view that we conducted our operations in compliance with applicable advertising and promotion laws and regulations in major jurisdictions where we operate in all material aspects during the Track Record Period and up to the Latest Practicable Date.

**Intellectual Property Rights Risk Management**

We attach great importance to the protection of our intellectual property rights and the avoidance of infringement disputes. Our legal team, in consultation with external counsel where appropriate, reviews our products, services and upgrades for compliance with applicable intellectual property laws before launch. We conduct intellectual property searches and analysis to minimize the risk of infringing third-party rights and regularly monitor newly published patents and trademarks to identify potential risks. Furthermore, our legal team assists our product departments in preparing and submitting timely applications for trademarks, copyrights and patents, thereby ensuring our proprietary technologies and solutions are adequately protected. Contractual terms with clients and partners also include provisions safeguarding our intellectual property rights.

**Data Privacy and Information Security Risk Management**

We recognize that safeguarding client and internal data is critical to our credibility and long-term success. Our solutions are generally deployed in client-managed environments, and we do not retain direct control of client operational data. Nonetheless, during the course of service delivery we may access confidential client information, and therefore we have adopted stringent data protection measures.

Our policies include the use of strong encryption algorithms, strict access control and segregation of duties for data handling, as well as multi-level approval processes for data processing activities. We have established internal protocols that stipulate requirements for the use, disclosure and protection of sensitive information. In addition, our IT teams conduct regular reviews of user access rights and monitor privileged accounts to mitigate risks of unauthorized activities. Contingency arrangements, including disaster recovery drills, are in place to ensure resilience of our key systems.

To further strengthen our internal control environment, we maintain a structured information asset classification mechanism, which is reviewed and updated at least annually by our infrastructure security team and requires approval from the respective asset owners before use or handling. We also implement comprehensive application security controls, including prohibiting unauthorized software installation, conducting pre-deployment security inspections and configurations, and performing regular patching on key systems by our IT operations team. System access rights are granted strictly on a need-to-know basis, subject to documented approval procedures and supplemented by periodic reviews of both general and privileged accounts.

For cryptographic protection, we apply dedicated key management procedures that require appropriate management approvals and safeguard seeds, private keys and passphrases within secured rooms equipped with Hardware Security Modules, with backups maintained across multiple secure smart cards. Physical access to critical server, vault and operations rooms is controlled through layered security measures, including CCTV monitoring, surveillance systems, fire detection devices and biometric authentication requirements, supported by semi-annual access right reviews.

For smart contract-related activities, we have established dedicated security standards and require independent third-party audits, formal verification where applicable, and comprehensive penetration testing prior to deployment along with ongoing reassessments thereafter. In addition, we operate a structured information security incident handling framework with clearly defined severity levels and established escalation and response procedures to ensure timely and effective mitigation of any identified risks.

**Human Resources Risk Management**

We have implemented internal control measures across all aspects of human resource management, including recruitment, training, performance evaluation and ethical conduct. Recruitment is subject to rigorous procedures to ensure the quality of new hires, and employees receive tailored training in compliance, business ethics, and risk awareness. Our employee handbook and code of conduct explicitly prohibit bribery, corruption and conflicts of interest, and require employees to comply with all applicable anti-corruption laws. To strengthen transparency, we have implemented an annual declaration system for staff involved in procurement decisions to disclose potential conflicts of interest. We also maintain a whistle-blowing policy that provides employees with anonymous reporting channels for suspected misconduct. Exit interviews are conducted and documented for resigning employees to identify potential areas of operational or compliance risk. Employee performance is reviewed periodically, with remuneration linked to performance to align incentives with corporate objectives.

**Financial Reporting Risk Management**

We have adopted comprehensive accounting and internal control policies to ensure the accuracy, reliability and compliance of our financial reporting. These policies cover administrative expenses, fixed and intangible assets, treasury management, insurance, taxation, budget management, and preparation of financial statements. Our finance department monitors the execution of these policies in daily operations and conducts periodic reconciliations with other departments. To address deficiencies identified in internal reviews, management is formalizing policies for fixed asset recognition, impairment assessments, cash flow forecasting, and insurance arrangements. We have also strengthened controls within our Oracle system by revising user access rights and segregation of duties between makers and approvers of journal entries.

To enhance transparency, petty cash management has been tightened to ensure adherence to thresholds and proper safekeeping of funds. Our internal audit and external auditors provide regular oversight of our financial reporting processes. In addition, finance staff receive periodic training to strengthen their understanding of accounting standards and internal policies.

**Jurisdictional Access Risk Management**

Our services are not available to all customers regardless of their physical location. We apply jurisdictional controls to ensure that the onboarding and servicing of clients align with our regulatory obligations and risk appetite, particularly in relation AML and sanctions compliance. For example, we restrict access from certain countries through IP-based blocking mechanisms. Customers from certain jurisdictions are restricted or not supported, and such information is publicly available on our official website. These controls include IP and KYC restrictions that prevent access from sanctioned or high-risk regions. In addition, all clients are subject to daily name screening against global sanctions lists, and fund transfers are monitored

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through SWIFT code restrictions for sanctioned regions. Our internal sanction policy strictly prohibits any business activities with sanctioned countries. Country risk is also a key factor in our AML risk scoring model, which determines the level of due diligence required. Customers assessed as high risk must undergo enhanced due diligence and obtain approval from the responsible officer and money laundering reporting officer before account opening.

### **Cross-Jurisdictional Trading Risk Management**

During the Track Record Period, we did not offer cross-jurisdictional trading services to customers. Specially, cross-jurisdictional trading services refer to trading arrangements that enable customers to execute transactions seamlessly across multiple regulatory jurisdictions through a single integrated trading channel. While we served customers across our major jurisdictions, we did not provide a unified trading mechanism that allowed customers to conduct trades across different jurisdictions. However, we have established a comprehensive risk assessment and internal control framework in preparation for the potential introduction of such services in the future. The framework includes same-name transaction requirements to prevent third-party transfers, transaction screening through KYT and Know Your Address (“KYA”) systems to identify high-risk or sanctioned regions, compliance with the travel rule to ensure traceability of fund transfers, and ongoing monitoring of clients’ transactional behavior. These measures collectively strengthen our ability to identify, monitor and mitigate risks associated with cross-border and cross-jurisdictional transactions.

### **INSURANCE**

We maintain standard and adequate insurance coverage to protect our business and operations. However, this coverage may not be sufficient to address all potential risks, including those arising from cybersecurity breaches, regulatory changes, operational disruptions, and external market factors. In particular, our insurance may not fully cover liabilities related to legal claims or unforeseen events that could impact our business. According to Frost & Sullivan, our insurance policies align with general market practices for companies in the digital asset and fintech sectors, and comply with relevant regulations in Hong Kong and other jurisdictions where we operate, the unique and evolving nature of the digital asset industry means that certain risks may not be fully mitigated by our current coverage. See “Risk Factors — Risks Related to Our Business and Industry — We may not have sufficient insurance coverage to cover our business risks.”

The Hong Kong SFC requires that Platform Operators conduct a thorough analysis to ensure that their insurance coverage is adequate to fully cover the compensation amount. This amount includes 50% of client digital assets held in cold wallets, and 100% of client digital assets held in hot wallets by their associated entities. The insurance policy must also account for potential losses arising from fraud, misconduct, or default by the Platform Operator or its associated entities. In addition, Platform Operators should evaluate various risk factors, including: the impact of any excluded events outlined in the insurance policy; the likelihood of a successful insurance claim in the event of a covered incident; and the financial implications of any applicable policy deductibles. The Bermuda Monetary Authority requires

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applicants to include detailed information about their proposed insurance coverage as part of their application submission. This should specify the types of coverage being sought; the corresponding coverage amounts; and supporting documentation such as executed insurance contracts or formal insurance quotes. If insurance coverage has not yet been secured at the time of application, applicants must: identify the types of coverage they intend to obtain; provide estimated coverage amounts; and outline a specific timeline for securing the required insurance. Furthermore, applicants are expected to explain how the proposed types and levels of coverage have been determined to be appropriate and proportionate to their particular business model and risk profile. As of September 30, 2025, our total insurance coverage amount is US\$1,203.8 million based on the client digital assets held in cold and hot wallets and related regulatory requirements. In 2022, 2023 and 2024, and six months ended June 30, 2024 and 2025, our insurance expenses amounted to HK\$3.3 million, HK\$16.8 million, HK\$23.4 million, HK\$9.6 million and HK\$15.5 million.

### AWARDS AND RECOGNITIONS

The following table sets forth some of our recent major awards and achievements as of the Latest Practicable Date.

<u>Award Year</u>	<u>Award name</u>	<u>Award institution</u>
2025 . . . . .	Best Companies to Work for in Asia 2025	HR Asia
2025 . . . . .	Financial Technology Platform Provider of the Year (Cryptocurrency)	Bloomberg Businessweek (Chinese Edition)
2025 & 2024 . . . .	Top 20 “World’s Most Trustworthy Crypto Exchanges and Marketplaces”	Forbes
2025 . . . . .	ALB Asia Top 15 In-House Teams 2025	Asian Legal Business (ALB)
2025 . . . . .	Best Exchange of the Year	PANews
2025 . . . . .	Outstanding Web3 Asset Management Organization of the Year	Greaterbay Financier Association & CCX Green Finance International Limited
2024 . . . . .	Best Digital Assets Solution	Asian Private Banker

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<u>Award Year</u>	<u>Award name</u>	<u>Award institution</u>
2024 . . . . .	Web3 Industry Leader Award	Hong Kong Stock 100 Research Center
2024 . . . . .	Best Solution Cash Management Regional	The Asset
2020 . . . . .	Digitizing Trade Finance Tech Challenge Winner	Hong Kong Monetary Authority (HKMA)
2020 . . . . .	Blockchain-based Trade Data Project Winner	Infocomm Media Development Authority (Singapore)

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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### CONTROLLING SHAREHOLDERS

Immediately upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), GDZ International Limited, HashKey Fintech III and Puxing Energy Limited (stock code: 00090) will hold approximately 38.78%, 0.64% and 0.02% of our issued Shares, respectively. GDZ International Limited is wholly-owned by Mr. Lu. HashKey Fintech III is held as to 43.22% by GDZ International Limited. Puxing Energy Limited is held as to 65.42% by Puxing International Limited, of which Mr. Lu is a controlling shareholder (as defined in the Listing Rules). Therefore Mr. Lu and GDZ International Limited, HashKey Fintech III and Puxing Energy Limited will constitute our Controlling Shareholders upon Listing.

In addition, Mr. Lu is entitled to exercise, in accordance with the Pre-IPO Equity Incentive Plan, the voting rights attached to the 578,571,420 ESOP Shares held by the ESOP Platform, representing approximately 20.92% of our issued Shares immediately upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

Accordingly, our Controlling Shareholders will control approximately 60.36% of the voting rights in our Company immediately upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

GDZ International Limited is an investment holding vehicle incorporated under the laws of the British Virgin Islands and is wholly-owned by Mr. Lu.

HashKey Fintech III is an exempted limited partnership registered under the laws of Cayman Islands. Its general partner is HashKey FinTech Investment, an exempted limited liability company incorporated under the laws of Cayman Islands, which is a wholly-owned subsidiary of the Company. Partnership interest in HashKey Fintech III is held by GDZ International Limited as to 43.22% as a limited partner. Other than GDZ International Limited, HashKey Fintech III has over 100 limited partners, none of which holds 5% or more partnership interest, and Dr.Xiao's spouse, Huang Rongping, holds 4.32%; other than Dr. Xiao's spouse, to the best knowledge of the Directors, all of the said limited partners are Independent Third Parties. HashKey Fintech III's investment in the Company represents approximately 1.31% of its total investment portfolio as of September 30, 2025.

HashKey Fintech III is an investment fund set up with the objectives of investing in diverse base of liquid digital asset positions as well as pursuing long term capital appreciation by strategically investing in early-stage and growth-stage portfolio companies in the fintech and digital asset ecosystems, thereby providing superior returns with optimized risk profile for its limited partners. HashKey Fintech III was established as part of the Group's asset management business.

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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Investment decisions of HashKey Fintech III are made by its Investment Committee, except for transactions with related parties, in which case the Limited Partnership Advisory Committee shall make the decisions. As the Company is the parent of the general partner of HashKey Fintech III, all investment decisions relating to the Company were made by the Limited Partnership Advisory Committee. As of the Latest Practicable Date, the Investment Committee of HashKey Fintech III consist of employees of the Group, namely, Deng Chao (chief executive officer of HashKey Capital Singapore Pte. Ltd.), Ryan Chen (managing partner of HashKey Capital Singapore Pte. Ltd.), Xiao Xiao (partner of HashKey Capital Singapore Pte. Ltd.), Mia Mai (head of portfolio and ecosystem, HashKey Capital Limited) and Yerui Zhang (investment director, HashKey Capital Singapore Pte. Ltd.); the Limited Partnership Advisory Committee is comprised of representatives of the limited partners (excluding GDZ International Limited), namely Liu Hui, Yang Chunxiao, Zhang Tao and Chen Lanjie. All members of the Investment Committee (other than being employees of the Group) and the Limited Partnership Advisory Committee are Independent Third Parties and independent from Mr. Lu and his close associates. Mr. Lu has no involvement in the management or the investment decisions of HashKey Fintech III. He is not a member of the Investment Committee or the Limited Partnership Advisory Committee. His role in the fund is that of a passive investor as GDZ International Limited is only a limited partner in the fund.

While HashKey FinTech Investment acts as the general partner of HashKey Fintech III, HashKey Fintech III is not a subsidiary of the Company and its accounts are not consolidated into those of the Group. According to the partnership agreement of HashKey Fintech III, HashKey FinTech Investment may be removed as the general partner of the fund by the limited partners voting in accordance with their respective partnership interest.

Puxing Energy Limited, a limited company incorporated in the Cayman Islands (HKEX: 00090), primarily engages in the development, operation, and management of natural gas power plants. Puxing International Limited holds 65.42% of the shares in Puxing Energy Limited and is ultimately controlled by Mr. Lu.

For details of Mr. Lu's biography, see "Directors and Senior Management — Non-executive Director".

### INDEPENDENCE OF OUR BUSINESS

Having considered the following factors, our Directors are satisfied that we are able to carry out our business independently from our Controlling Shareholders and their respective close associates upon and after the Listing.

#### Management Independence

Our Board consists of five Directors, including one executive Director, Dr. Xiao, one non-executive Director, Mr. Lu himself, and three independent non-executive Directors. We also have six other senior management members. For more information, please see the section headed "Directors and Senior Management".

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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Our Directors are of the view that our Group is capable of managing our business independently from our Controlling Shareholders and their respective close associates after the Listing, based on the following:

- (a) apart from Dr. Xiao and Mr. Lu (i.e. two out of a total of eleven Directors and senior management members; or one out of seven senior management members, including the executive Director), no other Director or member of the senior management will take any roles in our Controlling Shareholders and their close associates (excluding the Group) upon Listing. Dr. Xiao has served as the vice chairman of the board of directors and an executive director of China Wanxiang Holding Co., Ltd. (中國萬向控股有限公司) (“**Wanxiang Holding**”), close associate of Mr. Lu and holds various key positions in other members of the Wanxiang Holding system. Mr. Lu has served as the chairman of the board of directors of Wanxiang Holding and holds various key positions in other members of the Wanxiang Holding system. Mr. Lu is a non-executive Director and is not responsible for the daily management and operations of our Group. While Dr. Xiao is an executive Director, we have six other non-overlapping senior management members who are actively overseeing and managing the day-to-day operations of our Group (as discussed further in paragraph (b) below) and three non-overlapping Directors, who are also our independent non-executive Directors, who can provide further checks and balances in the decision-making of our Board (as discussed further in paragraph (c) below);
  
- (b) our daily management and operations are carried out by a senior management team, apart from Dr. Xiao, all of the six senior management members will take no roles in any companies in any of our Controlling Shareholders and their close associates (excluding our Group) upon Listing. Each of them is responsible for a key function or segment of our Group’s business: Mr. Ru Haiyang, our chief executive officer of HashKey Exchange, oversees the operations of our HashKey Exchange business; Ms. Liu Jia Anna, our chief executive officer of HashKey Tokenisation, oversees the operations of our HashKey Tokenisation business; Mr. Jamie Allan, the senior representative of HashKey Bermuda Limited, is in charge of our Bermuda operations; Mr. Ben Hazim El-Baz, the managing director of HashKey MENA FZE, is in charge of our operations in MENA; Mr. Cheng Tan Feng, the director of HashKey Technology Services Pte. Ltd, is in charge of our operations in Singapore; and Mr. Zhu Minghua, our chief financial officer, oversees the overall financial management of our Company. All of the said senior management members have substantial professional and industry experience and possess independent judgment. While the senior management members report to the Board, and Dr. Xiao, as the executive Director, would oversee the overall operations of the Group, each senior management member has significant autonomy in the day-to-day management of their respective responsible areas and is able to draw on their deep experience and independent judgment to make business decisions that are in the best interests of our Group;

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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- (c) we have three independent non-executive Directors, representing over half of the Board. The independent non-executive Directors will bring their independent judgment and additional checks and balances into the decision-making process of our Board. As mentioned above, the senior management team report to the Board; even though Dr. Xiao, as the executive Director, would oversee the overall operations of the Group, key decisions are considered and made by the Board collectively. The independent non-executive Directors will, among other matters, review and monitor any connected transactions or other transactions that may involve conflicts of interests between our Group and our Controlling Shareholders and their close associates, to protect the interests of our Company and the Shareholders as a whole;
- (d) according to the Articles, in respect of any contract or arrangement in which a Director has any interest, such contract or arrangement shall not be avoided or the Director shall not be liable to account to the Company or the Shareholders for any benefits therefrom, provided that such Director shall declare the nature of his interest to the Board prior to the Board's consideration and vote on such contract or transaction;
- (e) according to the Articles, if there is a matter in which a Director has a material conflict of interest, such matter must be considered and voted on in a Board meeting and the Board may not pass a written resolution in lieu of such a meeting;
- (f) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and a Director and/or his/her associate, he/she shall abstain from voting and shall not be counted towards the quorum for the voting;
- (g) in respect of connected transactions of the Company, our business departments would compare the terms (including pricing terms) of a proposed connected transaction with terms of comparable transactions in the market and/or offered by Independent Third Parties, and the Company would only proceed with the proposed connected transaction if the terms have been ascertained to be fair and reasonable, on normal commercial terms no less favourable than those made available by Independent Third Parties, and in the interests of our Company and Shareholders as a whole;
- (h) our compliance department holds regular compliance training sessions for our employees, covering conflict of interests, ethical conducts and other key topics. These training sessions help improve the awareness among our employees about conflict of interests and other compliance principles, so that they can help monitor and report any potential breach in the daily operations of the Group;

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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- (i) each Director is aware of his/her fiduciary duties as a director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests; and
- (j) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Controlling Shareholders which would support our independent management. For details, see “— Corporate Governance Measures” below.

### **Operational Independence**

We do not rely on our Controlling Shareholders and their close associates for our business development, staffing, logistics, administration, finance, internal audit, information technology, sales and marketing, or company secretarial functions. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate separately and independently from our Controlling Shareholders and their close associates. In addition, we have our own headcount of employees for our operations and management for human resources.

We have independent access to suppliers and customers and an independent management team to handle our day-to-day operations. We are also in possession of all relevant licenses, certificates, facilities and intellectual property rights necessary to carry on and operate our principal businesses and we have sufficient operational capacity in terms of capital and employees to operate independently.

During the Track Record Period, our Group entered into certain transactions with certain associates of our Controlling Shareholders, which would constitute non-exempt or partially-exempt continuing connected transactions under Chapter 14A of the Listing Rules after Listing. For more details, see the section headed “Connected Transactions”.

Considering that any transaction of the Group with our connected persons will be required to be conducted on an arm’s length basis and reviewed annually by the independent non-executive Directors (who represent over half of our Board) as required under Chapter 14A of the Listing Rules, as well as be subject to other corporate governance measures outlined in “— Corporate Governance Measures” below, and the relevant transactions are driven by mutual commercial benefits, our Directors believe that such transactions will not have any impact on the operational independence of our Group.

Based on the above, our Directors believe that we are able to operate independently of our Controlling Shareholders and their close associates.

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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### Financial Independence

We have an independent financial system and make financial decisions according to our Group's own business needs. We have internal control and accounting systems and an independent finance department for discharging the treasury function. We have sufficient capital to operate our business independently, and have adequate internal resources and working capital to support our daily operations. We do not expect to rely on our Controlling Shareholders and their close associates for financing after the Listing as we expect that our working capital will be funded by cash flows generated from operating activities, equity financing, bank loans as well as the proceeds from the Global Offering.

In addition, we are capable of obtaining financing from independent third parties without relying on any guarantee or security provided by our Controlling Shareholders or their respective associates. There will be no outstanding loans or guarantees provided by or granted to our Controlling Shareholders or their respective associates upon Listing. During the Track Record Period and as of the Latest Practicable Date, we had also received a series of Pre-IPO Investments from third party investors independently. For details of the Pre-IPO Investments, see "History, Development and Corporate Structure".

Based on the above, our Directors believe that we do not place any reliance on the Controlling Shareholders or their close associates upon the Listing.

### CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of good corporate governance in protecting our Shareholders' interests. We have adopted the following measures to safeguard good corporate governance standards and to avoid potential conflicts of interests between our Group and our Controlling Shareholders:

- where a Shareholders' meeting is to be held for considering proposed transactions in which our Controlling Shareholders or any of their respective close associates has a material interest, our Controlling Shareholders will not vote on the resolutions and shall not be counted in the quorum in the voting;
- our Group has established internal control mechanisms to identify connected transactions. Upon the Listing, if any transaction is proposed between our Group and our Controlling Shareholders and their respective associates, we will comply with the requirements of the Articles of Association and the Listing Rules, including, where appropriate, the reporting, annual review by the independent non-executive Directors, announcement and independent shareholders' approval;
- our independent non-executive Directors represent more than half of our Board and can ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors individually and collectively possess the

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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requisite knowledge and experience to perform their duties. They will review whether there is any conflict of interests between our Group and our Controlling Shareholders and provide impartial and professional advice to protect the interests of our minority Shareholders;

- where our Directors reasonably request the advice of independent professionals, such as financial advisers, the appointment of such independent professionals will be made at our Company's expenses; and
- we have appointed Guotai Junan Capital Limited as our Compliance Adviser, who will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to directors' duties and corporate governance, and inform us on a timely basis of any amendment or supplement to the Listing Rules or applicable laws and regulations in Hong Kong.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest that may arise between our Company and our Controlling Shareholders, and to protect our minority Shareholders' interests after the Listing.

### **RULE 8.10 OF THE LISTING RULES**

Each of our Controlling Shareholders has confirmed that he or it or his or its respective close associates do not have any interest in a business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business, and which would require disclosure under Rule 8.10 of the Listing Rules.

In particular, our business is by nature different from the business of Shanghai Wanxiang Blockchain Inc. (上海萬向區塊鏈股份公司) (“**Wanxiang Blockchain**”) (including its subsidiaries). We are by nature a comprehensive digital asset company; our business segments are transaction facilitation services, on-chain services and asset management services. Wanxiang Blockchain, on the other hand, is principally engaged in the development of blockchain and trading technologies. The services and products of our Group are by nature different from theirs. In the value creation chain, Wanxiang Blockchain can be considered an upstream supplier of ours. Additionally, Wanxiang Blockchain principally serves customers in Mainland, PRC, while we operate in Hong Kong, Singapore, Japan, UAE and Bermuda. Our principal businesses are subject to extensive regulations and have obtained the requisite licenses in the said jurisdictions. Parties without the requisite licenses in those jurisdictions would not be in a position to create competition risk for us. Therefore, the business of Wanxiang Blockchain (including its subsidiaries) does not compete nor is it likely to compete, directly or indirectly, with our business.

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## CONNECTED TRANSACTIONS

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### OVERVIEW

Prior to the Listing, our Group has entered into a number of transactions with our connected persons in our ordinary and usual course of business. Upon the Listing, the transactions disclosed in this section will constitute continuing connected transactions under Chapter 14A of the Listing Rules.

### OUR CONNECTED PERSONS

Following the Listing, the following parties will be connected persons of our Company:

<u>Name of Connected Person</u>	<u>Connected Relationship</u>
Shanghai Wanxiang Blockchain Inc. (上海萬向區塊鏈股份有限公司) (“ <b>Wanxiang Blockchain</b> ”) and Shanghai Buqin Network Technology Co., Ltd. (上海布沁網絡科技有限公司) (“ <b>Shanghai Buqin</b> ”, together with Wanxiang Blockchain, “ <b>Wanxiang Blockchain entities</b> ”) . . . . .	As of the Latest Practicable Date, 90% of the equity interests in Wanxiang Blockchain were held by China Wanxiang Holdings Co., Ltd. (中國萬向控股有限公司), which is owned as to 70.95% by Mr. Lu, our non-executive Director and a Controlling Shareholder. Shanghai Buqin is a subsidiary of Wanxiang Blockchain. Wanxiang Blockchain and Shanghai Buqin are therefore associates of Mr. Lu and connected persons of the Company under Rule 14A.12 of the Listing Rules.
GDZ International Limited . . . . .	GDZ International Limited is wholly-owned by Mr. Lu and therefore an associate of Mr. Lu. It is also a Controlling Shareholder. It is therefore a connected person of the Company under Rules 14A.07(1) and 14A.12 of the Listing Rules.
Wanxiang (Hong Kong) Limited . . . . .	Wanxiang (Hong Kong) Limited is controlled by Mr. Lu, and therefore an associate of Mr. Lu and a connected person of the Company under Rule 14A.12 of the Listing Rules.

## CONNECTED TRANSACTIONS

### SUMMARY OF OUR CONTINUING CONNECTED TRANSACTIONS

Transaction	Counterparty	Applicable Listing Rules	Waiver/confirmation sought	Proposed annual cap for the year ended December 31,			January 1 to December 16,
				2025	2026	2027	2028
<i>HK\$ in millions</i>							
Technical Development Services . . . . .	Wanxiang Blockchain entities	14A.35, 14A.36 and 14A.105	Announcement, circular and independent shareholders' approval	351.57	421.89	464.07	489.56
Staking Services . . .	GDZ International Limited	14A.35, 14A.76(2)(a) and 14A.105	Announcement	4.19	3.15	4.72	6.78

Transaction	Counterparty	Applicable Listing Rules	Waiver/confirmation sought	Proposed annual cap for the year ended December 31,					
				2025	2026	2027	2028	2029	2030
<i>HK\$ in millions</i>									
Fund Management Services . . .	GDZ International Limited and Wanxiang (Hong Kong) Limited	14A.35, 14A.76(2)(a) and 14A.105	Announcement	33.39	33.39	17.48	15.91	15.91	15.91

### NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

#### Technical Development Services

##### *Scope of Services and Term of Agreements*

On December 4, 2025, we entered into agreements (the “**Technical Development Services Agreements**”) with Wanxiang Blockchain entities relating to the provision of technology development and consultancy services to our Group (the “**Technical Development Services**”), including but not limited to:

- Software development, maintenance and update;
- IT infrastructure development, operation, maintenance and security;
- Mobile app and website development; and
- Network system, hardware and database design, installation, management, maintenance and update.

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## CONNECTED TRANSACTIONS

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The engagements under the Technical Development Services Agreements are typically project based, and the parties would enter into sub-agreements for new projects to set out the deliverables, pricing and other terms specific to each project.

The key terms of the Technical Development Services Agreements (including types of services required, pricing terms and contract terms) are substantially similar.

Key past and continuing projects under the Technical Development Services Agreements include:

- the development, maintenance and update of our trading platforms (including our PC-side web applications, mobile web applications, mobile Apps, API trading interface and background management system);
- the development, maintenance and update of supporting systems and functions for our trading platforms, including but not limited to KYC, AML and risk control functions, exchange business management system, exchange permission management system, universal identity system and universal clearing systems;
- ongoing information security services for our applications and networks; and
- ongoing technical and support services including business continuity guarantee service, backup archive service, monitoring and early warning services and emergency services.

Each of the Technical Development Services Agreements will terminate upon the expiry of three years from the Listing Date.

### ***Reasons for the Transaction***

Since 2018, we have been purchasing the Technical Development Services from Wanxiang Blockchain entities. The business of Wanxiang Blockchain entities (including their predecessors) commenced in 2015 and they are one of the earliest blockchain technology developers in the PRC. As Wanxiang Blockchain entities are a leading developer of blockchain and trading technologies with a variety of commercial utility and functionality, it is mutually beneficial for our Group and Wanxiang Blockchain entities to cooperate with each other on the purchase and provision of the Technical Development Services as each of our Group and Wanxiang Blockchain entities has competitive advantages in its respective business segment. Similarly, the continued development and maintenance of our hardware and software infrastructure is necessary for the business development of the Group, which is conducive to the health and stability of the Group.

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## CONNECTED TRANSACTIONS

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Our Directors are of the view that the pricing mechanism of the Technical Development Services is in line with market practice and the prices charged by Wanxiang Blockchain entities are more favourable to our Group than those charged by Independent Third Parties; and the transactions contemplated under the Technical Development Services Agreements will provide us with services critical to mitigating risk and safeguarding the robustness of our technical infrastructure and a stable and reliable source of technology development, which facilitates the Group's business development by ensuring that our technology stays up-to-date in a rapidly changing landscape, which are in the interest of our Company and our Shareholders as a whole. For further details of the basis of pricing for the provision of Technical Development Services by Wanxiang Blockchain entities to our Group during the Track Record Period, see the section headed "Financial Information — Related Party Transactions". As disclosed there, the Group procured Technical Development Services from Wanxiang Blockchain entities nearly at cost price. Should the Group procure similar services from Independent Third Parties, the purchase price is expected to include at least a mark-up of 10% over the cost base, which means we would have incurred additionally HK\$15.1 million, HK\$15.7 million, HK\$20.0 million and HK\$9.7 million in cost for such services in 2022, 2023, 2024, and the six months ended June 30, 2025, respectively, and an additional HK\$140 million in the next three years.

To the best knowledge of the Company, Wanxiang Blockchain entities are in compliance with the applicable laws and regulations relating to blockchain technology in the jurisdictions where they operation in all material respects, including that they have obtained the material licenses, permits and/or regulatory approval required to conduct its own business in the PRC (including ICP License, registration certificate of information system security level protection, and registration in the blockchain information service registration management system maintained by the Office of the Central Cyberspace Affairs Commission and Cyberspace Administration of China), and have not been involved in any material pending or threatened litigation, arbitration or administrative proceedings during the Track Record Period and up to the Latest Practicable Date.

### ***Pricing Policy***

The amounts paid and to be paid to Wanxiang Blockchain entities by our Company under the Technical Development Services Agreements are determined based on the following factors:

- (1) the complexity and difficulty of the requested service;
- (2) title of and time consumed by the personnels of Wanxiang Blockchain entities providing the service;
- (3) the content and value of the services;
- (4) market price of similar services;
- (5) our Group's operating conditions; and
- (6) the reasonable costs and expenses of Wanxiang Blockchain entities in providing the requested service.

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## CONNECTED TRANSACTIONS

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We will only enter into sub-agreements for new projects if our business department has assessed that the terms, including the pricing, for the Technical Development Services under the Technical Development Services Agreements are fair and reasonable, and on normal commercial terms no less favorable to our Company than terms offered to Independent Third Parties.

### *Historical Transaction Amounts*

Our purchases of Technical Development Services from Wanxiang Blockchain entities amounted to HK\$151.14 million, HK\$157.17 million, HK\$199.80 million and HK\$97.07 million for the years ended December 31, 2022, 2023 and 2024 and the six months ended June 30, 2025, respectively.

### *Annual Caps and Basis of Caps*

Our proposed aggregate annual caps of the transactions under the Technical Development Services Agreements for the years ending December 31, 2025, 2026, 2027 and the period from January 1 to December 16, 2028 are HK\$351.57 million, HK\$421.89 million, HK\$464.07 million and HK\$489.56 million, respectively.

In arriving at the above annual caps, the Directors have considered the following factors:

- (1) the historical transaction amounts paid by the Group to Wanxiang Blockchain entities in respect of the Technical Development Services;
- (2) the expected amount of Technical Development Services required by the Group from Wanxiang Blockchain entities in the next three years based on our current estimation of business needs. In particular, the size of Asia's onshore digital asset transaction facilitation service market, in terms of trading volume is expected to grow at the CAGR of 49.8% during 2024 to 2029. As a result, the Group expects its demand for the Technical Development Services to increase by approximately 70% from 2024 to 2025, 20% from 2025 to 2026 and 10% from 2026 to 2027 and from 2027 to 2028 for its business expansion;
- (3) the expected increase in complexity of services required as a result of the anticipated growth and expansion of the Group's business. In particular, the personnel involved in providing Technical Development Services to the Group increased from approximately 210 in 2024 to approximately 300 in 2025 by approximately 40%; as Wanxiang Blockchain entities provide Technical Development Services to the Group at near cost and its costs primarily consist of human capital costs, therefore it is expected that the aforementioned increase in number of personnel involved in providing Technical Development Services to the Group will result in an approximately 40% increase in the transaction amount in 2025 from 2024. Out of the newly added personnel from Wanxiang Blockchain entities in providing Technical Development Services to the Group: approximately 60 R&D staff members were

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## CONNECTED TRANSACTIONS

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added to support the Group's transaction facilitation business, primarily working on upgrading the trading systems and developing new products, including shared liquidity, futures products, Bermuda fiat currency gateway, OTC marketplace, collaboration bank cards and so on; approximately 30 R&D staff members were added to support the Group's on-chain business, working on upgrading staking products, developing CaaS platform and upgrading HashKey Chain (including KYC, AML monitoring, cross-chain interoperability, surveillance and advanced security functions).

Additionally, some new projects are being contemplated under the Technical Development Services Agreements, which may lead to an approximately 20% increase in the transaction amount in 2025 compared with 2024; and

- (4) projected effects of economic inflation on market prices of services and salaries of personnels providing them, which we estimate would contribute up to 10% annual increase in the transaction amounts from 2024 to 2028.

### *Listing Rules Implications*

As Shanghai Buqin is a subsidiary of Wanxiang Blockchain and such transactions are all substantially the same in nature, the said transactions may be required to be aggregated pursuant to Rule 14A.83 of the Listing Rules. In respect of the continuing connected transactions as described above, if such aggregation applies, the highest applicable percentage ratio calculated for the purpose of Chapter 14A of the Listing Rules is expected to exceed 5% on an annual basis. Accordingly, the continuing connected transactions as described above will be subject to the annual reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## PARTIALLY-EXEMPT CONTINUING CONNECTED TRANSACTIONS

### **Staking Services**

#### *Scope of Services and Term of Agreement*

On December 4, 2025, our subsidiary Wancloud Limited entered into an agreement with GDZ International Limited for a term of not more than three years from Listing Date pursuant to which Wancloud Limited provided GDZ International Limited direct access to network staking services (the "**Staking Services Agreement**").

#### *Reasons for the Transaction*

Since 2021, GDZ International Limited has staked a portion of its Ether on an Ethereum node operated and maintained by Wancloud Limited. Provision of staking services forms part of our ordinary business. In particular, as the largest staking services provider in Asia and the eighth largest globally, according to Frost & Sullivan, we are the natural choice for GDZ

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## CONNECTED TRANSACTIONS

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International Limited for staking services. As our infrastructure is designed with adequate backup redundancy, high-availability failover mechanisms and active slashing protection, GDZ International Limited has found our staking services reliable and secure and continue to be our valued customer. GDZ International Limited owns a certain amount of Ether. As our revenue scales non-linearly with activity growth since each incremental increase in client activity translates into higher staking commissions, it is mutually beneficial for us to continue to provide Ethereum staking services to GDZ International Limited.

### *Pricing Terms*

Pursuant to the Staking Services Agreement, Wancloud will receive as fees 10% (up to December 31, 2025) and 5% (starting from January 1, 2026) of the total staking rewards from the nodes hosting GDZ International Limited's digital assets each month.

### *Historical Transaction Amounts*

The aggregate fees received for our supply of staking services to GDZ International Limited amounted to HK\$6.41 million, HK\$8.13 million, HK\$7.38 million and HK\$1.42 million for the years ended December 31, 2022, 2023 and 2024 and the six months ended June 30, 2025, respectively.

### *Annual Caps and Basis of Caps*

Our proposed annual caps for the transactions under the Staking Services Agreement for the years ending December 31, 2025, 2026, 2027 and the period from January 1 to December 16, 2028 are HK\$4.19 million, HK\$3.15 million, HK\$4.72 million and HK\$6.78 million, respectively.

In arriving at the above annual caps, the Directors have considered the following factors:

- (1) The amount of ETH GDZ International Limited has staked on nodes operated by Wancloud Limited;
- (2) The agreed rate of service fees as a percentage of staking rewards from digital assets staked set out in the Staking Services Agreement;
- (3) The anticipated overall increase in the trading price of ETH, which increases the value of the staking reward; and
- (4) The expected overall yield rate of staking on a global scale.

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## CONNECTED TRANSACTIONS

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### *Listing Rules Implications*

In respect of the continuing connected transaction as described above, if such aggregation applies, the highest applicable percentage ratio calculated for the purpose of Chapter 14A of the Listing Rules is expected to be above 0.1% but below 5% on an annual basis. Accordingly, the continuing connected transactions as described above will be subject to the annual reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

### **Fund Management Services**

#### *Scope of Services and Term of Agreement*

On June 21, 2019 (last amended on December 31, 2019) and October 22, 2020 (last amended on January 15, 2023), we entered into partnership agreements with the limited partners of HashKey Fintech II (the “**HashKey Fintech II Agreement**”) and HashKey Fintech III (the “**HashKey Fintech III Agreement**”, collectively the “**HashKey Fintech Fund Agreements**”), respectively, pursuant to which our subsidiaries, as general partners of the funds, will manage and conduct the business and investment decisions of HashKey Fintech II and HashKey Fintech III. In return, the limited partners will pay the Group management fees.

Wanxiang (Hong Kong) Limited is a limited partner of HashKey Fintech II, holding 36.87% partnership interests therein. GDZ International Limited (for the purposes of this section, together with Wanxiang (Hong Kong) Limited, “**Mr. Lu’s LP entities**”) is a limited partner of HashKey Fintech III, holding 43.22% partnership interests therein. Other than Mr. Lu’s LP entities, to the best knowledge of the Company: partnership interests in HashKey Fintech II are held by 9 other limited partners, including Lam Wu Fu as to 14.75%, Kong Iu as to 14.53%, Bing Zhong as to 10.52%, Yeli Fang as to 9.25%, and five other limited partners (each holding less than 5% partnership interests) together as to 14.08%; partnership interests in HashKey Fintech III are held by over 100 other limited partners, none of which holds 5% or more, and Dr.Xiao’s spouse, Huang Rongping, holds 4.32%; other than Dr. Xiao’s spouse, all of the said limited partners are Independent Third Parties and there is no past or present relationship (business, employment, family, financing, trust, or otherwise) between the Company and each of the said limited partners, their respective subsidiaries, shareholders or limited partners, directors, senior management, or any of their respective close associates, where applicable or among the limited partners themselves.

As required by Rule 14A.52 of the Listing Rules, the period for the agreement must not exceed three years except in special circumstances where the nature of the transaction requires a longer period. The durations of the HashKey Fintech II Agreement and the HashKey Fintech III Agreement are for a term of seven years from initial closing on December 31, 2019 ending December 31, 2026 and eight years from initial closing on December 30, 2021 ending December 30, 2029, respectively. The term of the HashKey Fintech II Agreement may be extended one year at the sole discretion of the general partner; the term of the HashKey Fintech III Agreement may be extended one year at the sole discretion of the general partner and

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## CONNECTED TRANSACTIONS

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thereafter one further year by the general partner with the approval of limited partners holding a majority of the limited partnership interests of HashKey Fintech III. It is currently expected that HashKey Fintech II Agreement and HashKey Fintech III Agreement will be extended to December 30, 2027 and December 29, 2030, respectively. The duration of the HashKey Fintech Fund Agreements is determined based on the planned exit timing of HashKey Fintech II and HashKey Fintech III to realize their value and growth in investment, and are in line with the typical life cycle of investment funds in the market. According to Frost & Sullivan, it is not uncommon for the terms of partnership agreements for investment funds to be in the range of seven to ten years.

Additional reasons as to why it is normal practice for the terms of the HashKey Fintech Fund Agreements to be longer than three years include:

- (a) strict compliance with the three-year requirements in respect of the fund management services under the HashKey Fintech Fund Agreements will be unduly burdensome to the Group, taking into account the business nature of investment funds and the potential disruption to the business operations of the funds caused by discontinuance of such arrangement; unnecessary administration costs to the Company for the renewal of the fund agreements every three years; and potential delay in the renewal of the fund agreements as a result of further negotiation between the parties, which may cause further disruption to the operations of the funds and investment outcome;
- (b) the long-term arrangement protects the interests of the Company by minimising the risk of disruption to its management fee income;
- (c) the success and reputation of investment funds rely heavily on the expertise and industry experience the fund management teams. The long-term arrangement is expected to benefit the Company in terms of the operational consistency and stability in the management of the funds; and
- (d) if the Group is not allowed to provide the fund management services under the HashKey Fintech Fund Agreements for a term of more than three years, it will be necessary the Group to liaise with the limited partners of HashKey Fintech II and HashKey Fintech III to enter into new agreements with the approval of the limited partners. Taking into account the large number of limited partners of the funds as set forth above, it is unduly burdensome for the Group to enter into such new agreements.

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## CONNECTED TRANSACTIONS

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### *Reasons for the Transaction*

As part of the Group's asset management services business, the Group manages a number of funds, including HashKey Fintech II and HashKey Fintech III. See the section "Business — Our Solutions — Asset Management Services" for detail. Investing in institutions and talents in the blockchain and digital asset spaces advances the industry in which our Group operates, which is consistent with the business and commercial objectives of the Group and facilitates the growth and development of our business generally. The terms of the management fees received from Mr. Lu's LP entities as the limited partners of HashKey Fintech II and HashKey Fintech III were determined between the parties after arm's length negotiations, taking into account prevailing market practices. Our Directors are of the view that the terms of the HashKey Fintech Fund Agreements are on normal commercial terms, are fair and reasonable, and are in the interest of our Company and our Shareholders as a whole. Mr. Lu has no involvement in the management or the investment decisions of HashKey Fintech II and HashKey Fintech III. He is not a member of the investment committee of either fund. His role in the said funds is that of a passive investor as his associates are only limited partners in the funds.

### *Pricing Terms*

In exchange for the administrative and investment management services provided, the Group will receive a management fee from Mr. Lu's LP entities proportional to the size of their commitments as the limited partners of each of HashKey Fintech II and HashKey Fintech III. The Group will receive annual management fees (1) from Wanxiang (Hong Kong) Limited as the limited partner of HashKey Fintech II equal to 2% of the total amount committed or advanced to the fund by the limited partners; and (2) from GDZ International Limited as the limited partner of HashKey Fintech III equal to 2% of the total amount committed to the fund by the limited partners until the end of the commitment period, and 1% of the total amount committed to the fund thereafter. The management fees payable to the Group in respect of HashKey Fintech III is subject to the deduction of any fees (such as break-up fee, consulting fee, director's fee or other similar fees) received by the general partner of HashKey Fintech III or its employees from portfolio companies in direct relation to the investment activities of HashKey Fintech III (such fees shall constitute income of the fund and the aforesaid set-off arrangement is to ensure the general partner and the relevant employee returns any such fees to the fund), and GDZ International Limited enjoys such set-off arrangement together with the other limited partners proportional to the size of their respective commitment in the said fund. The management fees will accrue on a quarterly basis. During the Track Record Period and up to the Latest Practicable Date, no such set-off has taken place as any aforementioned fees incurred during the said period had been directly paid to the fund.

The pricing of the management fees and the other terms under the HashKey Fintech Fund Agreements are fair and reasonable, and on normal commercial terms no less favorable to our Company than terms offered to Independent Third Parties. According to Frost & Sullivan, the pricing of the management fees and the other terms under the HashKey Fintech Fund

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## CONNECTED TRANSACTIONS

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Agreements are in line with those offered by market peers. For the avoidance of doubt, Mr. Lu's LP entities are subject to the same terms and conditions as the other limited partners of HashKey Fintech II and HashKey Fintech III.

### *Historical Transaction Amounts*

The aggregate historical amounts received from Mr. Lu's LP entities as management fees under the HashKey Fintech Fund Agreements were HK\$32.82 million, HK\$32.82 million, HK\$32.82 million and HK\$16.41 million for the years ended December 31, 2022, 2023 and 2024 and the six months ended June 30, 2025, respectively. Of the said amounts: approximately HK\$1.56 million, HK\$1.56 million, HK\$1.56 million, and HK\$0.78 million were paid in respect of HashKey Fintech II; and approximately HK\$31.26 million, HK\$31.26 million, HK\$31.26 million, and HK\$15.63 million were paid in respect of HashKey Fintech III, for the years ended December 31, 2022, 2023 and 2024 and the six months ended June 30, 2025, respectively. The total management fees received by HashKey Fintech II (i.e. including from the other limited partners) amounted to HK\$4.24 million, HK\$4.25 million, HK\$4.24 million, and HK\$2.08 million, for the years ended December 31, 2022, 2023 and 2024 and the six months ended June 30, 2025, respectively; and the total management fees received by HashKey Fintech III amounted to HK\$68.08 million, HK\$73.80 million, HK\$70.43 million and HK\$34.82 million for the same periods.

### *Annual Caps and Basis of Caps*

Our proposed annual caps of the management services provided to Mr. Lu's LP entities under the HashKey Fintech Fund Agreements for the years ending December 31, 2025, 2026, and 2027 are HK\$33.39 million, HK\$33.39 million and HK\$17.48 million, respectively, and our proposed annual caps of the management services provided to Mr. Lu's LP entities under the HashKey Fintech III Agreement for the years ending 2028, 2029 and 2030 are HK\$15.91 million, HK\$15.91 million and HK\$15.91 million, respectively.

In arriving at the above annual caps, the Directors have considered the following factors:

- (1) the agreed rate of management fees as a percentage of total commitment in HashKey Fintech II and HashKey Fintech III set out in the HashKey Fintech Fund Agreements;
- (2) the estimated end of the commitment period for HashKey Fintech III; and
- (3) the planned exit timing of HashKey Fintech II and HashKey Fintech III, being December 30, 2027 and December 29, 2030, respectively.

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## CONNECTED TRANSACTIONS

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### *Listing Rules Implications*

As Mr. Lu's LP entities in both HashKey Fintech II and HashKey Fintech III are all his associates, and the transactions under the HashKey Fintech Fund Agreements are substantially the same in nature, the transactions may be required to be aggregated pursuant to Rule 14A.83 of the Listing Rules. In respect of the continuing connected transactions as described above, if such aggregation applies, the highest applicable percentage ratio calculated for the purpose of Chapter 14A of the Listing Rules is expected to be above 0.1% but below 5% on an annual basis. Accordingly, the continuing connected transactions as described above will be subject to the annual reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

### **CONFIRMATION OF OUR DIRECTORS**

Our Directors (including independent non-executive Directors) consider that (i) the non-exempt and partially-exempt continuing connected transactions have been and will be entered into in the ordinary and usual course of business of our Group, on normal commercial terms, are fair and reasonable and in the interests of our Group and Shareholders as a whole; (ii) the proposed annual caps in respect of the non-exempt and partially-exempt continuing connected transactions are fair and reasonable, and in the interests of our Group and Shareholders as a whole; and (iii) it is normal business practice and in the interests of our Group and Shareholders as a whole for the term of each of the Technical Development Services Agreements and the HashKey Fintech Fund Agreements to be longer than three years.

### **CONFIRMATION OF THE JOINT SPONSORS**

The Joint Sponsors are of the view that (i) the non-exempt and partially-exempt continuing connected transactions as set out above have been and will be entered into in the ordinary and usual course of business of our Group, on normal commercial terms or better, are fair and reasonable and in the interests of our Group and Shareholders as a whole; (ii) the proposed annual caps are fair and reasonable, and in the interests of our Group and Shareholders as a whole; and (iii) it is normal business practice and not uncommon for agreements of the nature of the continuing connected transactions set out above to be more than three years in duration. In particular, for the HashKey Fintech Fund Agreements, the Joint Sponsors have reviewed the underlying agreements between the Company and HashKey Fintech II and HashKey Fintech III and further observed the other fund agreements in the market of similar nature and understand that it is normal practice for the terms of the agreements with Fund of similar nature be longer than three years.

### **WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES**

In relation to the continuing connected transactions above, we have applied for, and the Stock Exchange has granted to us, a waiver from strict compliance with the announcement, circular and independent Shareholders' approval requirement under Chapter 14A of the Listing Rules pursuant to Rule 14A.105 of the Listing Rules, subject to the condition that the aggregate value of such continuing connected transactions for the years ended December 31, 2025, 2026, 2027, 2028, 2029 and 2030 shall not exceed relevant annual amounts stated above.

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## DIRECTORS AND SENIOR MANAGEMENT

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### BOARD OF DIRECTORS

Upon Listing, the Board will consist of five Directors, including one executive Director, one non-executive Director and three independent non-executive Directors. The following table provides certain information about our Directors:

Name	Age	Position/Title	Time of Joining our Group	Date of Appointment as a Director	Responsibilities
<b>Executive Director</b>					
Dr. Xiao Feng (肖風) . . . . .	64	Executive Director, chairperson of the Board and chief executive officer of our Company	March 2018	January 9, 2019	Responsible for the overall management of business operation, strategy and corporate development of our Company
<b>Non-executive Director</b>					
Mr. Lu Weiding (魯偉鼎) . . . . .	54	Non-executive Director	May 2023	May 10, 2023	Providing strategic advice on the development of our Company
<b>Independent Non-executive Directors</b>					
Mr. Chan Jessey Ting (陳汀) . . . . .	62	Independent non- executive Director	Listing Date	September 22, 2025, conditional and effective upon Listing	Responsible for supervising and providing independent judgment to our Board
Ms. Lin Lynn Zhihong (林志紅) . . . . .	60	Independent non- executive Director	Listing Date	September 22, 2025, conditional and effective upon Listing	Responsible for supervising and providing independent judgment to our Board
Mr. Huang Sidney Xuande (黃宣德) . . .	60	Independent non- executive Director	Listing Date	September 22, 2025, conditional and effective upon Listing	Responsible for supervising and providing independent judgment to our Board

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## DIRECTORS AND SENIOR MANAGEMENT

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### Executive Director

**Dr. Xiao Feng (肖風)**, aged 64, has served as a Director and the chairperson of the Board of the Company since January 2019 and was appointed the chief executive officer of our Company since May 2023. Dr. Xiao was re-designated as an executive Director in September 2025. Dr. Xiao is our founder and has been primarily responsible for the overall management of business operation, strategy and corporate development of the Company since the commencement of our Group's business in March 2018.

Dr. Xiao has over 30 years of significant work and management experience in the finance, asset management and securities management industry and is a pioneer in blockchain technologies in China. Dr. Xiao has served as the vice chairman of the board of directors and an executive director of China Wanxiang Holding Co., Ltd. (中國萬向控股有限公司) (“**Wanxiang Holding**”) since January 2012. Wanxiang Holding system principally engages in equity investments in insurance, internet finance and other finance businesses. Dr. Xiao oversees the finance sector business of the group since January 2012. He has also served in various key positions in the other members of the Wanxiang Holding system. From April 1998 to December 2011, Dr. Xiao served as the president of Bosera Asset Management Co., Limited (博時基金管理有限公司). He had served key positions in other finance, asset management and securities management institutions including the Securities Management Office of Shenzhen from 1993 to 1998 and the securities management office of the People's Bank of China, Shenzhen Branch from 1992 to 1993.

Dr. Xiao has been appointed as an independent non-executive director and a member of the audit committee and the remuneration committee of Yunfeng Financial Group Limited (a company listed on the Stock Exchange, stock code: 376) since March 2019.

Dr. Xiao obtained his bachelor's degree of arts in Chinese from Jiangxi Normal University (江西師範大學) in July 1983 and his doctoral degree in economics from Nankai University (南開大學) in July 2003.

### Non-executive Director

**Mr. Lu Weiding (魯偉鼎)**, aged 54, has served as a Director of the Company since May 2023. He was re-designated as a non-executive Director in September 2025.

Mr. Lu has served as the executive director and chief executive officer of Wanxiang Group (萬向集團) since July 1994 and June 2005, respectively. Mr. Lu is also currently the chairman of the board of directors of Wanxiang Group. Mr. Lu has served as the chairman of the board of directors of China Wanxiang Holding since March 2007; the chairman of the board of directors of Minsheng Life Insurance Co., Ltd. (民生人壽保險股份有限公司) since May 2010; and the chairman of Lu Guanqiu San Nong Fu Zhi Fund (魯冠球三農扶志基金) since October 2018.

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## DIRECTORS AND SENIOR MANAGEMENT

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Mr. Lu obtained his master's degree in business administration from California Science and Technology University in the United States in March 2004. Mr. Lu was qualified as a Senior Economist with the Ministry of Human Resources and Social Security of the PRC in November 2018. Mr. Lu participated in the CEO Programme from China Europe International Business School (CEIBS), from September 2003 to February 2004.

### Independent Non-executive Directors

**Mr. Chan Jessey Ting (陳汀)**, aged 62, is appointed as an independent non-executive Director and his appointment will be conditional and effective upon Listing.

Mr. Chan has over 30 years of experience in corporate management, including over 14 years extensive experience restructuring and turnaround strategies. Mr. Chan has been the chief transformation officer at Woford A.G. since January 2025. Prior to that, from November 2022 to December 2023, Mr. Chan served as the chief operations officer at JEAN Lanvin S.A. Mr. Chan served as the chief restructuring officer from September 2020 to October 2022 and the executive director from January 2021 to December 2023 at St John Knits Inc. From September 2019 to September 2020, Mr. Chan worked as a consultant at Fosun Fashion Group. From September 2017 to September 2019, Mr. Chan worked as the senior vice president of the procurement department at DJO Global Inc. From July 2014 to August 2017, Mr. Chan served as the executive chairman at both Milton Industries Inc. and Ameda Inc. He was also previously a senior vice president at TPG Capital.

Mr. Chan has extensive work and management experience in the finance industry. From January 2010 to June 2011, Mr. Chan served as the chief financial officer and the finance director of Dell China. From January 2004 to January 2010, Mr. Chan served as the managing director and executive director of Dell Worldwide Procurement.

Mr. Chan obtained his master's degree in computer science from Santa Clara University in California in June 1989.

**Ms. Lin Lynn Zhihong (林志紅)**, aged 60, is appointed as an independent non-executive Director and her appointment will be conditional and effective upon Listing.

Ms. Lin has over 11 years of experience in post-investment value-added service management and more than 20 years of experience in global information technology service management. Ms. Lin has been the founder and general manager of ZhiFuDa (Beijing) Management Consulting Services Co., Ltd since May 2024. Prior to that, from December 2012 to April 2024, Ms. Lin served as the senior vice president of value creation at Warburg Pincus, North Asia branch, a global private equity firm. From April 2011 to October 2012, Ms. Lin served as a general manager of Nexda (Beijing) Consulting and IT Service Co., Limited. From March 2006 to March 2011, Ms. Lin served as the senior director of global infrastructure services at Lenovo, managing global infrastructure construction and operations. From April 2000 to August 2001, Ms. Lin worked for Motorola and served different positions including as director of Growth Enablement, director of IT and global GTM account operations, director of IT, PCS China and director of IT, NMG Chicago.

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## DIRECTORS AND SENIOR MANAGEMENT

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Ms. Lin obtained her bachelor's degree of science in applied physics from Tsinghua University in July 1988 and her master's degree of science in electrical and computer science engineering from the University of Notre Dame in January 1993.

**Mr. Huang Sidney Xuande (黃宣德)**, aged 60, is appointed as an independent non-executive Director and his appointment will be conditional and effective upon Listing.

Mr. Huang has over 25 years of experience through various positions in a wide range of industries including finance, technology and internet. He is currently a senior advisor of JD.com, Inc. (a company listed on the Nasdaq (stock ticker: JD) and the Stock Exchange (stock code: 9618)) and was its chief financial officer from September 2013 until his retirement in September 2020.

Prior to joining JD.com, Inc., Mr. Huang had served as the chief financial officer of VanceInfo Technologies Inc. and its successor company, Pactera Technology International Ltd., from July 2006 to September 2013. He was also the co-president of VanceInfo Technologies Inc. from 2011 to 2012, and its chief operating officer from 2008 to 2010. Mr. Huang was an investment banker at Citigroup Global Markets Inc. in New York from August 2002 to July 2004. Mr. Huang held various positions including audit manager at KPMG LLP from January 1997 to August 2000.

Mr. Huang has been an independent non-executive director of MIXUE Group (a company listed on the Stock Exchange, stock code: 2097) since December 2023, an independent non-executive director of Kuaishou Technology (a company listed on the Stock Exchange, stock code: 1024) since February 2021, an independent non-executive director of Tuya Inc. (a company listed on the New York Stock Exchange (stock ticker: TUYA) and the Stock Exchange (stock code: 2391)) since July 2022 and an independent director of Yatsen Holding Limited (a company listed on the New York Stock Exchange (stock ticker: YSG)) since November 2020.

Mr. Huang is currently a Foundation Fellow at St Antony's College of the University of Oxford where he was an Academic Visitor focusing on geoeconomics from October 2021 to September 2022. Mr. Huang obtained a bachelor's degree in accounting from Bernard M. Baruch College of The City University of New York in the United States in February 1997 and a master's degree in business administration from the J.L. Kellogg School of Management at Northwestern University in the United States in June 2002. Mr. Huang was qualified as a certified public accountant in the State of New York in the United States in October 1999.

## DIRECTORS AND SENIOR MANAGEMENT

### SENIOR MANAGEMENT

The following table sets forth the key information about our senior management.

Name	Age	Position/Title	Time of Joining our Group	Date of Appointment as our Senior Management	Responsibilities
Dr. Xiao Feng (肖風) . . . . .	64	Executive Director, chairperson of the Board and chief executive officer of our Company	March 2018	March 2018	Responsible for the overall management of business operation, strategy and corporate development of our Company
Mr. Zhu Minghua (朱明華) . . . . .	44	Chief financial officer of our Company	November 2022	November 2022	Responsible for the overall financial management of our Company
Mr. Ru Haiyang (茹海陽) . . . . .	41	Chief executive officer of HashKey Exchange	April 2023	April 2023	Responsible for overseeing the business operations of HashKey Exchange
Ms. Liu Jia Anna (劉佳) . . . . .	38	Chief executive officer of HashKey Tokenisation	July 2018	July 2018	Responsible for overseeing the business operations of HashKey Tokenisation
Mr. Jamie Allan . . . . .	43	Senior representative of HashKey Bermuda Limited	July 2024	July 2024	Responsible for overall corporate governance, compliance, and primary liaison between the entity and the Bermuda Monetary Authority
Mr. Ben Hazim El-Baz . . . . .	41	Managing director of HashKey MENA FZE	June 2018	June 2018	Responsible for overseeing the business operations of HashKey MENA FZE

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## DIRECTORS AND SENIOR MANAGEMENT

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Name	Age	Position/Title	Time of Joining our Group	Date of Appointment as our Senior Management	Responsibilities
Mr. Cheng Tan Feng (鄭丹楓) . . . . .	52	Director of HashKey Technology Services Pte. Ltd.	January 2019	January 2019	Responsible for overall corporate governance and ensuring compliance with the laws and regulations of Singapore

**Dr. Xiao Feng (肖風)**, aged 64, is our executive Director, chairperson of the Board and the chief executive officer of our Company. See “— Executive Director” in this section for his biography.

**Mr. Zhu Minghua (朱明華)**, aged 44, first joined our Group as chief financial officer of our Company in November 2022 and has been serving in this role since then.

Mr. Zhu has over 15 years of significant experience in financial management. Prior to joining our Group, Mr. Zhu served as a vice president of finance in Meituan (a company listed on the Stock Exchange, stock code: 3690) from July 2016 to November 2022; he was primarily responsible for overseeing its financial operations and financial analytics. Mr. Zhu has also served in key financial positions in various other leading Internet and technology companies, including as a senior financial director in Baidu Inc. (a company listed on the Stock Exchange, stock code: 9888) from May 2014 to July 2016; as a financial director in Amazon, China from December 2012 to May 2014; as a senior financial manager of Dell, China from December 2009 to December 2012; and began his career in finance after graduation working at Motorola from July 2004 to December 2009.

Mr. Zhu has been an independent non-executive director of Anji Foodstuff Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 603696) since November 2023.

Mr. Zhu obtained his master’s degree in accounting from Nankai University in June 2004, and his Executive Master of Business Administration degree from Tsinghua University in June 2024. Mr. Zhu was qualified as a Certified Public Accountant in the PRC.

**Mr. Ru Haiyang (茹海陽)**, aged 41, has been the chief executive officer of HashKey Exchange since March 2025. Mr. Ru first joined our Group as its head of strategy in April 2023 and served in this role until October 2023. From October 2023 to March 2025, Mr. Ru served as the chief risk and compliance officer of the Group.

Mr. Ru has over 10 years of extensive experience in financial technology and operations. Prior to joining our Group, Mr. Ru served as the deputy general manager of Ant Group from November 2020 to April 2023, primarily responsible for leading strategic partnerships with

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## DIRECTORS AND SENIOR MANAGEMENT

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global payment networks and managing customer balance operations and payment tool optimization. From July 2018 to November 2020, Mr. Ru served as the general manager of the rental business center at KE Holdings Inc. (a company listed on the Stock Exchange (stock code: 2423) and the New York Stock Exchange (stock ticker: BEKE)), driving nationwide operations in rentals and commercial real estate. From April 2015 to July 2018, Mr. Ru served as the senior director of operations and finance at Meituan (a company listed on the Stock Exchange, stock code: 3690) and was responsible for managing its delivery operations.

Mr. Ru obtained his bachelor's degree in economics from Fudan University in July 2007 and his Master of Business Administration degree from Stanford University in June 2012.

**Ms. Liu Jia Anna (劉佳)**, aged 38, has been the chief executive officer of HashKey Tokenisation, the tokenisation division of the Group, since May 2023. Ms. Liu first joined the Group as the general counsel of the Group in July 2018 and served in this role until April 2023.

Prior to joining the Group, Ms. Liu served as the senior legal counsel at Tencent Technology (Shenzhen) Company Limited, a subsidiary of Tencent Holdings Limited (a company listed on the Stock Exchange, stock code: 0700), from June 2016 to May 2018, overseeing a broad range of M&A, investment and capital markets transactions. From May 2014 to May 2016, Ms. Liu worked as a legal assistant at Skadden, Arps, Slate, Meagher & Flom in its Hong Kong office. From February 2013 to April 2014, she worked as a paralegal at Greka Gas China Limited.

Ms. Liu obtained her Bachelor of Laws degree from Shenzhen University School of Law in June 2009 and her Master of Laws (Intellectual Property and Technology Law) from the University of San Francisco School of Law in May 2010. Ms. Liu currently holds a Legal Professional Qualification Certificate in China obtained in March 2016.

**Mr. Jamie Allan**, aged 43, has been the senior representative of HashKey Bermuda Limited since June 2025. Mr. Allan first joined the Group as a compliance officer of the Group in July 2024 and served in this role until April 2025.

Prior to joining the Group, Mr. Allan served as the chief compliance officer at Orbital, a global payment platform, from October 2023 to July 2024. Prior to joining Orbital, Mr. Allan served as the head of compliance and risk management at Binance Exchange Gibraltar Limited from October 2022 to October 2023. From January 2018 to October 2022, Mr. Allan worked at ISOLAS LLP, a law firm in Gibraltar, and Fiduciary Management Limited as the director of risk and compliance. Between 2008 and 2015, Mr. Allan served in the Royal AirForce and later the British Army, leaving at the rank of Major.

Mr. Allan obtained his bachelor's degree in physics and computing from the Nottingham Trent University in July 2004. Mr. Allan obtained his Graduate Diploma in Law from BPP Law School in July 2018 and completed his Bar Professional Training course at The University of Law in October 2021. Mr. Allan undertook his training contract at ISOLAS LLP between October 2021 and October 2022. Mr. Allan was called to the Utter Bar in England and Wales

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## DIRECTORS AND SENIOR MANAGEMENT

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in November 2021 and is a Chartered Member with Chartered Management Institute. He holds an Advanced Certificate in Managing Virtual Currency and Financial Crime Risks from the University of Gloucestershire obtained in 2019 and an Advanced Certificate in Compliance from International Compliance Association obtained in 2016.

**Mr. Ben Hazim El-Baz**, aged 41, has been the managing director of HashKey MENA FZE, a licensed exchange entity, since August 2024. Mr. El-Baz has been the managing director of Global Licensing/Global Expansion of the Group since July 2023 and the executive director of HashKey Europe Limited, a licensed exchange entity, since December 2023. Mr. El-Baz first joined the Group as the head of ecosystems of the Group in June 2018 and served in this role until June 2023. Mr. El-Baz served as the non-executive director of HashKey Token Limited, a token-related entity, from November 2022 to March 2024 and executive director of HashKey Bermuda Limited, a licensed exchange entity, from January 2024 to April 2025.

Mr. El-Baz has a strong track record in product and business development in the technology sector. From September 2015 to July 2017, Mr. El-Baz served as the executive vice president of product strategy at Next Thing Co, an open-source software developer platform based in the United States. Between February 2013 to July 2015, Mr. El-Baz served as the director of global business development at Allwinner Technology Co., Ltd. (a company listed on the Shenzhen Stock Exchange, stock code: 300458), a chipset company based in China. From July 2009 to December 2012, Mr. El-Baz served as the product development lead at Hatch, an electronics supply chain management company based in China.

Mr. El-Baz obtained his bachelor's degree of science from Tulane University in May 2007 and his master's degree of science in management from the Graduate School of Business of the Stanford University in June 2018.

**Mr. Cheng Tan Feng (鄭丹楓)**, aged 52, first joined our Group in January 2019, and is the director of HashKey Technology Services Pte. Ltd.

Mr. Cheng has over 18 years of significant work and management experience in the finance and asset management industry. From April 2010 to September 2017, Mr. Cheng served as the managing director, head of Greater China business and a member of the Asia Pacific Management Committee of the BNP Paribas Investment Partners Asia, primarily responsible for the expansion of business interests in the Greater China region. From March 2001 to March 2010, Mr. Cheng served as the managing director, head of Southeast Asia business and the executive director of BNP Paribas Asset Management Singapore, overseeing the firm's asset management operations.

Mr. Cheng obtained bachelor's degree of arts in letter and science from the University of California, Berkeley in May 1998.

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## DIRECTORS AND SENIOR MANAGEMENT

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### GENERAL

Save as disclosed above, none of the Directors or members of senior management of our Company has been a director of any public company the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this Prospectus.

Save as disclosed above, none of the Directors or members of the senior management of our Company is related to any other Directors and members of the senior management of our Company.

Save as disclosed above, to the best knowledge, information and belief of our Directors having made all reasonable inquiries, there was no other matter with respect to the appointment of our Directors that needs to be brought to the attention of the Shareholders and there was no information relating to our Directors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

### CONFIRMATION FROM OUR DIRECTORS

#### Rule 8.10 of the Listing Rules

Each of our Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, either directly or indirectly, with our Company's business which would require disclosure under Rule 8.10 of the Listing Rules.

#### Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in September 2025, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

#### Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his/her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he/she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointments.

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## DIRECTORS AND SENIOR MANAGEMENT

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### COMPANY SECRETARY

**Ms. Tang King Yin (鄧景賢)** has been appointed as the company secretary of the Company on September 16, 2025. Ms. Tang currently serves as a senior manager of Company Secretarial Services of Tricor Services Limited, a member of Vistra Group.

Ms. Tang has over 10 years of experience in the corporate secretarial field and has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies.

Ms. Tang is a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Tang obtained her bachelor's degree in business administration from Hong Kong Shue Yan University in July 2011 and her master's degree of corporate governance and compliance from the Hong Kong Baptist University in November 2021.

### BOARD COMMITTEES

#### Audit Committee

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the Corporate Governance Code. The Audit Committee consists of three Directors, namely Mr. Huang Sidney Xuande, Ms. Lin Lynn Zhihong and Mr. Chan Jessey Ting. Mr. Huang Sidney Xuande has the appropriate professional qualifications or accounting or related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules. Mr. Huang Sidney Xuande serves as the chairperson of the Audit Committee. The primary duties of the Audit Committee include, but not limited to, the following:

- proposing the appointment or change of external auditors to our Board, and monitoring the independence of external auditors and evaluating their performance;
- examining the financial information of our Company and reviewing financial reports and statements of our Company;
- examining the financial reporting system, the risk management and internal control system of our Company, overseeing their rationality, efficiency and implementation and making recommendations to our Board; and
- dealing with other matters that are authorized by our Board.

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## DIRECTORS AND SENIOR MANAGEMENT

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### Remuneration Committee

We have established a Remuneration Committee with written terms of reference in compliance with paragraph E.1 of the Corporate Governance Code. The Remuneration Committee consists of three Directors, namely Ms. Lin Lynn Zhihong, Mr. Huang Sidney Xuande and Mr. Chan Jessey Ting. Mr. Chan Jessey Ting serves as the chairperson of the Remuneration Committee. The primary duties of the Remuneration Committee include, but not limited to, the following:

- making recommendations to the Board on the Company's policy and structure for all Directors' and senior managements' remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- monitoring the implementation of remuneration system of our Company;
- making recommendations on the remuneration packages of our Directors and senior management; and
- dealing with other matters that are authorized by our Board.

### Nomination Committee

We have established a Nomination Committee with written terms of reference in compliance with paragraph B.3 of the Corporate Governance Code. The Nomination Committee consists of three Directors, namely Mr. Chan Jessey Ting, Mr. Huang Sidney Xuande and Ms. Lin Lynn Zhihong. Ms. Lin Lynn Zhihong serves as the chairperson of the Nomination Committee. The primary duties of the Nomination Committee include, but not limited to, the following:

- conducting extensive search and providing to our Board suitable candidates for our Directors, chief executive officer and other members of the senior management;
- reviewing the structure, size and composition (including the skills, knowledge and experience) of our Board at least annually, assisting our Board in maintaining a board skills matrix and making recommendations on any proposed changes to our Board to complement the Company's corporate strategy;
- researching and developing standards and procedures for the election of our Board members, chief executive officer and members of the senior management, and making recommendations to our Board;
- assess the independence of independent non-executive Directors;
- supporting our Company's regular evaluation of our Board's performance; and
- dealing with other matters that are authorized by our Board.

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## DIRECTORS AND SENIOR MANAGEMENT

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### REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Our Directors receive compensation in the form of fees, salaries, allowances, discretionary bonuses, share-based compensation, retirement benefit scheme contributions and other benefits in kind.

For the years ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025, the aggregate amount of remuneration paid or payable to our Directors amounted to HK\$2.4 million, HK\$11.4 million, HK\$12.9 million and HK\$2.3 million, respectively.

Under the current compensation arrangement, we estimate the total compensation before taxation to be accrued to our Directors for the year ending December 31, 2025 to be approximately HK\$11.2 million.

The total emoluments for the remaining individuals among the five highest paid individuals amounted to HK\$26.1 million, HK\$34.8 million, HK\$222.3 million and HK\$26.1 million for the years ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025, respectively.

During the Track Record Period, no remuneration was paid by our Company to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of our Company or any of our subsidiaries.

During the Track Record Period, none of our Directors waived any remuneration. Save as disclosed above, no other payments have been paid, or are payable, by our Company or any of our subsidiaries to our Directors or the five highest paid individuals during the Track Record Period.

### CORPORATE GOVERNANCE

Pursuant to Code Provision C.2.1 of part 2 of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairperson and the chief executive officer should be separate and should not be performed by the same individual. We do not have a separate chairperson and chief executive officer and Dr. Xiao currently performs these two roles. The Board believes that vesting the roles of both chairperson and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. In particular, Dr. Xiao has over 30 years of significant work and management experience in the finance, asset management and securities management industry, and is a pioneering investor who has been at the forefront of the digital asset movement since its earliest days. Dr. Xiao founded our business in 2018 and the Group expanded rapidly under his leadership. His deep industry insight as well as extensive corporate management experience are invaluable to the Group's strategic planning and effective internal

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## DIRECTORS AND SENIOR MANAGEMENT

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management, therefore Dr. Xiao performs the roles of both chairperson and chief executive officer. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively.

### BOARD DIVERSITY POLICY

In order to enhance the effectiveness of our Board and to maintain the high standard of corporate governance, we have adopted the board diversity policy (the “**Board Diversity Policy**”) which sets out the objective and approach to achieve and maintain diversity of our Board. Pursuant to the board diversity policy, we seek to achieve board diversity through the consideration of a number of factors when selecting the candidates to our Board, including but not limited to gender, skills, age, professional experience, knowledge, cultural and educational background, and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to our Board.

Our Directors have a balanced mix of knowledge and skills, including overall management and strategic development, accounting and corporate governance in addition to industry experience. We have three independent non-executive Directors with different industry backgrounds, representing more than one-third of the members of our Board. Our Company has evaluated the structure, size and composition of our Board, and is of the opinion that the structure of our Board is reasonable, and the experience and skills of the Directors in various aspects and fields can enable our Company to maintain a high standard of operations.

Besides, we particularly recognize the importance of gender diversity. We have taken, and will continue to take, steps to promote gender diversity at all levels of our Company, including but without limitation to our Board and senior management levels. Going forward, we will continue to work to enhance gender diversity of our Board when selecting and recommending suitable candidates for Board appointments. We aim to maintain at least one female representation in the Board and the current composition of the Board satisfies this target gender ratio. Our Company also intends to promote gender diversity at the mid to senior level so that our Company can maintain a balanced gender ratio at different levels. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of our Board satisfies our board diversity policy.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. After the Listing, our Nomination Committee will examine the board diversity policy from time to time to ensure its continued effectiveness and we will disclose in our corporate governance report about the implementation of the board diversity policy on an annual basis.

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## DIRECTORS AND SENIOR MANAGEMENT

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### COMPLIANCE ADVISER

We have appointed Guotai Junan Capital Limited as our Compliance Adviser pursuant to Rule 3A.19 of the Listing Rules. Our Compliance Adviser will provide us with guidance and advice as to compliance with the Listing Rules and applicable Hong Kong laws.

Pursuant to Rule 3A.23 of the Listing Rules, our Compliance Adviser will advise our Company, among others, in the following circumstances:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues, sales or transfers of treasury shares and share repurchases;
- (c) where we propose to use the proceeds from the Global Offering in a manner different from that detailed in this Prospectus or where our business activities, developments or results deviate from any forecast, estimate or other information in this Prospectus; and
- (d) where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

The term of appointment of the Compliance Adviser shall commence on the Listing Date and is expected to end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing Date.

## SUBSTANTIAL SHAREHOLDERS

### SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following completion of the Global Offering, assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised, the following persons will have interests and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who are directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company:

Substantial shareholder	Capacity/Nature of Interest <sup>(1)</sup>	Number of Shares Held <sup>(2)</sup>	Approximate percentage of interest in the total issued Shares as at the Latest Practicable Date and immediately before the completion of the Global Offering <sup>(2)</sup>	Approximate percentage of interest in the total issued Shares immediately following the completion of the Global Offering <sup>(3)</sup>	Approximate percentage of interest in the total issued Shares immediately following the completion of the Global Offering <sup>(4)</sup>
Mr. Lu <sup>(5)(6)</sup>	Interest in controlled corporation <sup>(5)</sup>	1,090,422,175	43.19%	39.43%	37.81%
	Interest under contract <sup>(6)</sup>	578,571,420	22.92%	20.92%	20.06%
GDZ International Limited <sup>(4)</sup>	Beneficial owner	1,072,203,049	42.47%	38.78%	37.17%
	Interest in controlled corporation	17,632,797	0.70%	0.64%	0.61%
Dr. Xiao <sup>(7)</sup>	Interest in controlled corporation	410,289,839	16.25%	14.84%	14.23%
XChainX Limited <sup>(7)</sup>	Beneficial owner	410,289,839	16.25%	14.84%	14.23%

*Notes:*

- (1) All interests stated are long positions.
- (2) Assuming all Preferred Shares have been converted to Ordinary Shares on a 1:1 basis.
- (3) The calculation is based on the total number of 2,765,176,002 Shares in issue immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).
- (4) The calculation is based on the total number of 2,884,257,602 Shares in issue immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are fully exercised).
- (5) To the best of our Directors' knowledge, GDZ International Limited is wholly-owned by Mr. Lu; partnership interest in HashKey Fintech III is held as to 43.22% by GDZ International Limited as a limited partner; and Puxing Energy Limited is ultimately controlled by Mr. Lu as to over one third of its voting rights. Therefore, Mr. Lu is deemed to be interested in the 1,072,203,049 Shares, 17,632,797 Shares and 586,329 Shares held by GDZ International Limited, HashKey Fintech III and Puxing Energy Limited, respectively.
- (6) Mr. Lu is entitled to exercise, in accordance with the Pre-IPO Equity Incentive Plan, the voting rights attached to the 578,571,420 ESOP Shares underlying the options granted under the Pre-IPO Equity Incentive Plan.

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## SUBSTANTIAL SHAREHOLDERS

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- (7) To the best of our Directors' knowledge, XChainX Limited is wholly-owned Dr. Xiao. Therefore, Dr. Xiao is deemed to be interested in the 410,289,839 Shares held by XChainX Limited.

Save as disclosed above and the section headed "Statutory and General Information — C. Further Information about our Directors and Substantial Shareholders" in Appendix IV to this Prospectus, our Directors are not aware of any person who will, immediately following completion of the Global Offering, assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised, have any interest and/or short position in the Shares or underlying Shares of our Company which will be required to be disclosed to our Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who are directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of our Company or other members of the Group.

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## CORNERSTONE INVESTORS

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### THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a “**Cornerstone Investment Agreement**” and collectively, the “**Cornerstone Investment Agreements**”) with the cornerstone investors set out below (each a “**Cornerstone Investor**” and collectively, the “**Cornerstone Investors**”), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, subscribe, or cause their designated entities to subscribe, at the International Offer Price for such number of Offer Shares (rounded down to the nearest whole board lot of 400 Shares) that may be purchased for an aggregate amount of US\$75.0 million (or approximately HK\$584.0 million, calculated based on the exchange rate set out in the section headed “Information about this Prospectus and the Global Offering — Exchange Rate Conversion” in this Prospectus) (the “**Cornerstone Placing**”). The aggregate amount of the investment contributed by the Cornerstone Investors does not include brokerage, SFC transaction levy, AFRC transaction levy and Hong Kong Stock Exchange trading fee which the Cornerstone Investors will pay in respect of the International Offer Shares to be subscribed by them.

Assuming an Offer Price of HK\$5.95, being the low-end of the Offer Price range set out in this Prospectus, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 98,144,000 Offer Shares. The table below reflects the shareholding percentage immediately after the completion of the Global Offering assuming there is no other change made to the issued share capital of our Company between the Latest Practicable Date and the Listing Date (or the date of exercise of Over-allotment Option (where applicable)).

Assuming the Offer Size Adjustment Option is not exercised				Assuming the Offer Size Adjustment Option is exercised in full			
Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full		Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
Approximate % of the Offer Shares	Approximate % of the Shares in issue	Approximate % of the Offer Shares	Approximate % of the Shares in issue	Approximate % of the Offer Shares	Approximate % of the Shares in issue	Approximate % of the Offer Shares	Approximate % of the Shares in issue
40.80%	3.55%	35.48%	3.50%	31.38%	3.46%	27.29%	3.40%

Assuming an Offer Price of HK\$6.45, being the mid-point of the Offer Price range set out in this Prospectus, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 90,536,000 Offer Shares. The table below reflects the shareholding percentage immediately after the completion of the Global Offering assuming there is no other change made to the issued share capital of our Company between the Latest Practicable Date and the Listing Date (or the date of exercise of Over-allotment Option (where applicable)).

## CORNERSTONE INVESTORS

Assuming the Offer Size Adjustment Option is not exercised				Assuming the Offer Size Adjustment Option is exercised in full			
Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full		Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
<i>Approximate % of the Offer Shares</i>	<i>Approximate % of the Shares in issue</i>	<i>Approximate % of the Offer Shares</i>	<i>Approximate % of the Shares in issue</i>	<i>Approximate % of the Offer Shares</i>	<i>Approximate % of the Shares in issue</i>	<i>Approximate % of the Offer Shares</i>	<i>Approximate % of the Shares in issue</i>
37.63%	3.27%	32.73%	3.23%	28.95%	3.19%	25.17%	3.14%

Assuming an Offer Price of HK\$6.95, being the high-end of the Offer Price range set out in this Prospectus, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 84,024,000 Offer Shares. The table below reflects the shareholding percentage immediately after the completion of the Global Offering assuming there is no other change made to the issued share capital of our Company between the Latest Practicable Date and the Listing Date (or the date of exercise of Over-allotment Option (where applicable)).

Assuming the Offer Size Adjustment Option is not exercised				Assuming the Offer Size Adjustment Option is exercised in full			
Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full		Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
<i>Approximate % of the Offer Shares</i>	<i>Approximate % of the Shares in issue</i>	<i>Approximate % of the Offer Shares</i>	<i>Approximate % of the Shares in issue</i>	<i>Approximate % of the Offer Shares</i>	<i>Approximate % of the Shares in issue</i>	<i>Approximate % of the Offer Shares</i>	<i>Approximate % of the Shares in issue</i>
34.93%	3.04%	30.37%	3.00%	26.87%	2.96%	23.36%	2.91%

We believe that the Cornerstone Placing signifies our Cornerstone Investors' confidence in our Company and its business prospect, and that the Cornerstone Placing will help to raise the profile of our Company. Our Company became acquainted with each of the Cornerstone Investors during its ordinary course of operations, either through the Group's business network or through introduction by the Overall Coordinators and Capital Market Intermediaries in the Global Offering.

To the best knowledge of the Company, among the Cornerstone Investors, CDH and FIL Investment (each as defined below) are close associates of existing minority Shareholder of our Company, namely, (a) Black Shadows, L.P. and (b) Fidelity China Special Situations PLC and Fidelity Funds, respectively, and Space Z PTE. LTD. and Shining Light Grace Limited are existing minority Shareholders of our Company. The Stock Exchange has granted a waiver from strict compliance with the requirements under Rule 10.04 of the Listing Rules and consent under paragraph 1C of Appendix F1 to the Listing Rules to permit Offer Shares in the International Offering to be placed to certain existing minority Shareholders and/or their close associates. For further details, please see the section headed "Waivers and Exemption".

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## CORNERSTONE INVESTORS

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Save for certain Cornerstone Investors who are close associates of existing minority Shareholders as disclosed above, to the best knowledge of our Company, each of the Cornerstone Investors (i) is independent of the other Cornerstone Investors, our Group, our connected persons and their respective associates, and is not an existing Shareholder or a close associate of our Group; (ii) none of the Cornerstone Investors is accustomed to taking instructions from our Company, the Directors, chief executive, our Controlling Shareholders, substantial shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares; (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed by our Company, the Directors, chief executive, our Controlling Shareholders, substantial shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates; (iv) each Cornerstone Investor will be utilizing their internal resources as their source of funding for the subscription of the Offer Shares; and (v) no approval from other stock exchange is required for each Cornerstone Investor's investment in our Company as described in this section.

The Cornerstone Placing will form part of the International Offering, and save as otherwise consented from the Stock Exchange, the Cornerstone Investors and their respective close associates will not subscribe for any Offer Shares under the Global Offering other than pursuant to the Cornerstone Investment Agreements. The Offer Shares to be subscribed by the Cornerstone Investors will rank *pari passu* in all respects with the fully paid Shares in issue and all the Shares to be subscribed by the Cornerstone Investors will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investors will not have any Board representation in our Company; and none of the Cornerstone Investors will become a substantial shareholder of our Company. Other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, the Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders. There are no side arrangements between our Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Listing.

The Cornerstone Investors have agreed to pay for the relevant Offer Shares that they have subscribed before dealings in the Company's Shares commence on the Stock Exchange. There will be no deferred settlement of the Offer Shares to be subscribed by the Cornerstone Investors. Where delayed delivery takes place, each Cornerstone Investor that may be affected by such delayed delivery arrangement has agreed that it shall nevertheless pay for the relevant Offer Shares in full before the Listing. Delayed delivery arrangement is in place to facilitate the over-allocation in the International Offering. There will be no delayed delivery if there is no over-allocation in the International Offering.

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## CORNERSTONE INVESTORS

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The total number of Offer Shares to be subscribed by the Cornerstone Investors may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering as described in the paragraph headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in this Prospectus. The number of Offer Shares to be acquired by each Cornerstone Investor may be reduced on a pro rata basis in accordance with the terms of the Cornerstone Investment Agreement to satisfy the short fall, after taking into account the requirements under Appendix F1 to the Listing Rules as well as the discretion of the Overall Coordinators on behalf of the International Underwriters to exercise the Over-allotment Option.

To the best knowledge of our Company, the Cornerstone Investors make independent investment decisions, their subscription under the Cornerstone Investment Agreements would be financed by their own internal resources, financial resources of their shareholders or (in the case of Cornerstone Investors which are funds or investment managers) the assets managed for their investors as the source of funding for the subscription of the Offer Shares, and they each have sufficient funds to settle their respective investments under the Cornerstone Placing. Each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing.

Details of the actual number of Offer Shares to be allocated to the Cornerstone Investors will be disclosed in the allotment results announcement of our Company to be published on or around December 16, 2025.

### THE CORNERSTONE INVESTORS

The information about our Cornerstone Investors set forth below has been provided by our Cornerstone Investors in connection with the Cornerstone Placing.

#### UBS AM Singapore

UBS Asset Management (Singapore) Ltd. (“**UBS AM Singapore**”), a company incorporated in Singapore in December 1993, has entered into a cornerstone investment agreement with the Company and the Joint Sponsors, in its capacity as the investment manager for and on behalf of the following fund: (i) UBS (Lux) Equity Fund — Greater China (USD); (ii) UBS (Lux) Equity Fund — China Opportunity (USD); (iii) UBS (HK) Fund Series — China Opportunity Equity (USD); (iv) UBS (Lux) Equity SICAV — All China (USD); (v) UBS (Lux) Investment SICAV — China A Opportunity (USD); (vi) UBS (CAY) China A Opportunity; and (vii) certain other segregated accounts and mandates.

UBS AM Singapore is a wholly owned subsidiary of UBS Asset Management AG, an investment management company, which is wholly ultimately owned by UBS Group AG, which is a company organized under Swiss law as a corporation that has issued shares of common stock to investors. UBS Group AG’s shares are listed on the SIX Swiss Exchange (stock code: UBSG) and the New York Stock Exchange (stock code: UBS).

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## CORNERSTONE INVESTORS

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### **FIL Investment**

FIL Investment Management (Hong Kong) Limited (“**FIL Investment**”) has entered into a Cornerstone Investment Agreement with the Company and the Joint Sponsors in the capacity as fiduciary and agent for Fidelity China Special Situations PLC and a sub-fund of Fidelity Funds — China Consumer, and a sub-fund of Fidelity Funds — China Innovation, all of which are advised by FIL Investment Management (Hong Kong) Limited and its related group of companies collectively known as Fidelity International. There is no ultimate beneficial owner holding more than 30% of Fidelity China Special Situations PLC or Fidelity Funds — China Consumer or Fidelity Funds — China Innovation. FIL Investment is a close associate of an existing minority Shareholder of our Company.

### **CDH**

CDH Global Frontier Ventures Limited (“**CDH**”) is a BVI business company established under the laws of British Virgin Islands and CDH Vision Holdings Limited holds 100% of the shares of CDH. CDH is managed by CDH Investments (鼎暉投資) and is ultimately held as 20.2% by Wu Shangzhi (吳尚志). There are no shareholders holding 30% or more interest in CDH and CDH Vision Holdings Limited. CDH Investment was established in 2002 with over US\$20 billion of assets under management and invests across the alternative asset classes in private equity, venture and growth, private credit, public equities and real estate assets. CDH is an investment vehicle focusing on investments in company(ies) engaging in next-generation technology. CDH is a close associate of an existing minority Shareholder of our Company.

### **Cithara Fund**

Cithara Global Multi-Strategy SPC – Bosideng Industry Investment Fund SP (“**Cithara Fund**”) is an exempted segregated portfolio company incorporated in the Cayman Islands in 2021. The Cithara Fund’s objective is to deliver risk adjusted absolute return with a focus on long-term capital preservation. The investment manager of Cithara Fund is Cithara Investment International Limited (“**Cithara**”), a company incorporated in Hong Kong in 2016 and licensed to conduct Type 4 (advising on securities) and Type 9 (asset management) of the regulated activities as defined under the SFO. Cithara is ultimately wholly owned by Zhang Jun who is an Independent Third Party. Song Yan, an Independent Third Party, is the ultimate beneficial owner of Cithara Fund with 30% or more of beneficial interest. No other ultimate beneficial owner of Cithara Fund holds 30% or more of beneficial interest.

### **Infini**

Infini Global Master Fund (“**Infini**”) is a multi-strategy discretionary investment fund with wide investor base, managed by Infini Capital Management Limited (無極資本管理有限公司 (“**Infini Capital**”). With dual headquarters in Hong Kong and Abu Dhabi, Infini Capital is licensed by the SFC and the Abu Dhabi Global Market (ADGM) Financial Services

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## CORNERSTONE INVESTORS

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Regulatory Authority (FSRA). Infini Capital is wholly-owned by Infini Capital Global, a Cayman Islands holding company. None of the investor holds 30% or more interest in Infini Capital Global. None of the investor holds 30% or more interest in the fund.

### **Deep Source**

Deep Source Holdings Limited (“**Deep Source**”) (HKEX: 990) and its subsidiaries are principally engaged in (i) distribution, trading and processing of bulk commodities and related products in Hong Kong, Singapore and the PRC; and (ii) provision of securities and derivatives financial services, margin financing and fund management in Hong Kong and Singapore. It is owned as to approximately 60.8% by Mr. You Zhenhua. Other than Mr. You Zhenhua, Deep Source has no single ultimate beneficial owner holding 30% or more interest.

### **Profit Channel**

Profit Channel Development Limited (“**Profit Channel**”) is incorporated in, and existing under, the laws of the British Virgin Islands. The Company is primarily engaged in investment as its core business, and is ultimately beneficially owned as to 100% by Mr. Yang Bin. Mr. Yang made an investment in China Traditional Medicine Holdings Co., Limited, a company listed on the Stock Exchange (stock code: 00570) in 2008. Since then, he has accumulated 17 years of investment experience, with his primary investment focus covering AI infrastructure, crypto assets, new energy, and SaaS (Software as a Service).

### **Space Z PTE. LTD.**

Space Z PTE. LTD. stands as a dynamic investment holding company with deep roots in Asia’s vibrant economic landscape. It is directly owned as to 100% by Long Zhifeng. Space Z PTE. LTD. has honed its expertise in backing transformative businesses that drive industry progress, channeling strategic capital into innovative ventures across technology and consumer sectors. Leveraging robust local networks and market understanding, Space Z excels at identifying opportunities that align with Asia’s evolving economic trends, empowering enterprises to scale and thrive. As part of a broader investment ecosystem, it continues to bridge local insights with global best practices under the visionary leadership of its founder. Space Z PTE. LTD. is an existing minority Shareholders of our Company.

### **Shining Light Grace Limited**

Shining Light Grace Limited is a limited liability company incorporated under the laws of British Virgin Islands. It is directly owned as to 100% by Chen Ting. Shining Light Grace Limited principally engages in investment management. Shining Light Grace Limited is an existing minority Shareholders of our Company.

The tables below set forth the aggregate number of Offer Shares, and the corresponding percentages to the Offer Shares and our Company’s total issued share capital under the Cornerstone Placing:

## CORNERSTONE INVESTORS

### Based on the Offer Price of HK\$5.95 as the indicative offer price (being the low-end of the Offer Price range)

Cornerstone Investor	Investment amount <sup>(1)</sup>  (US\$ in millions)	Number of Offer Shares <sup>(2)</sup>	Assuming the Offer Size Adjustment Option is not exercised		Assuming the Offer Size Adjustment Option is exercised in full	
			Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
			Approximate % of the Offer Shares	Approximate % of the Shares in issue	Approximate % of the Offer Shares	Approximate % of the Shares in issue
UBS AM Singapore	10.0	13,086,000	5.44%	0.47%	4.18%	0.46%
FIL Investment	5.0	6,542,800	2.72%	0.24%	2.09%	0.23%
CDH	5.0	6,542,800	2.72%	0.24%	2.09%	0.23%
Cithara Fund	15.0	19,628,800	8.16%	0.71%	6.28%	0.69%
Infiniti	10.0	13,086,000	5.44%	0.47%	4.18%	0.46%
Deep Source	10.0	13,086,000	5.44%	0.47%	4.18%	0.46%
Profit Channel	10.0	13,086,000	5.44%	0.47%	4.18%	0.46%
Space Z PTE. LTD.	5.0	6,542,800	2.72%	0.24%	2.09%	0.23%
Shining Light Grace Limited	5.0	6,542,800	2.72%	0.24%	2.09%	0.23%
<b>Total</b>	<b>75.0</b>	<b>98,144,000</b>	<b>40.80%</b>	<b>3.55%</b>	<b>31.38%</b>	<b>3.46%</b>
						<b>27.29%</b>
						<b>3.40%</b>

*Notes:*

- The investment amount excludes brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee, and is calculated based on the exchange rate set out in the section headed “Information about this Prospectus and the Global Offering — Exchange Rate Conversion” in this Prospectus. The number of Offer Shares to be subscribed by the Cornerstone Investors are subject to the exchange rate to be determined in accordance with each relevant Cornerstone Investment Agreement.
- Rounded down to the nearest whole board lot of 400 Shares, and is calculated based on the exchange rate set out in the section headed “Information about this Prospectus and the Global Offering — Exchange Rate Conversion” in this Prospectus.



## CORNERSTONE INVESTORS

### Based on the Offer Price of HK\$6.95 as the indicative offer price (being the high-end of the Offer Price range)

Cornerstone Investor	Investment amount <sup>(1)</sup>  (US\$ in millions)	Number of Offer Shares <sup>(2)</sup>	Assuming the Offer Size Adjustment Option is not exercised		Assuming the Offer Size Adjustment Option is exercised in full	
			Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
			Approximate % of the Offer Shares	Approximate % of the Shares in issue	Approximate % of the Offer Shares	Approximate % of the Shares in issue
UBS AM Singapore	10.0	11,203,200	4.66%	0.41%	3.58%	0.39%
FIL Investment	5.0	5,601,600	2.33%	0.20%	1.79%	0.20%
CDH	5.0	5,601,600	2.33%	0.20%	1.79%	0.20%
Cithara Fund	15.0	16,804,800	6.99%	0.61%	5.37%	0.59%
Infiniti	10.0	11,203,200	4.66%	0.41%	3.58%	0.39%
Deep Source	10.0	11,203,200	4.66%	0.41%	3.58%	0.39%
Profit Channel	10.0	11,203,200	4.66%	0.41%	3.58%	0.39%
Space Z PTE. LTD.	5.0	5,601,600	2.33%	0.20%	1.79%	0.20%
Shining Light Grace Limited	5.0	5,601,600	2.33%	0.20%	1.79%	0.20%
<b>Total</b>	<b>75.0</b>	<b>84,024,000</b>	<b>34.93%</b>	<b>3.04%</b>	<b>26.87%</b>	<b>2.96%</b>
						<b>23.36%</b>
						<b>2.91%</b>

*Notes:*

- The investment amount excludes brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee, and is calculated based on the exchange rate set out in the section headed “Information about this Prospectus and the Global Offering — Exchange Rate Conversion” in this Prospectus. The number of Offer Shares to be subscribed by the Cornerstone Investors are subject to the exchange rate to be determined in accordance with each relevant Cornerstone Investment Agreement.
- Rounded down to the nearest whole board lot of 400 Shares, and is calculated based on the exchange rate set out in the section headed “Information about this Prospectus and the Global Offering — Exchange Rate Conversion” in this Prospectus.

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## CORNERSTONE INVESTORS

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### CLOSING CONDITIONS

The obligation of each of the Cornerstone Investors to subscribe for the Offer Shares under their respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions:

- (i) the Hong Kong Underwriting Agreement and the International Underwriting Agreement being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the Hong Kong Underwriting Agreement and the International Underwriting Agreement, and neither the Hong Kong Underwriting Agreement nor the International Underwriting Agreement having been terminated;
- (ii) the International Offer Price having been agreed according to the Hong Kong Underwriting Agreement, the International Underwriting Agreement and the Price Determination Agreement among the parties thereto in connection with the Global Offering;
- (iii) the Listing Committee having granted the approval for the listing of, and permission to deal in, the Shares (including the Shares under the Cornerstone Placing) as well as other applicable waivers and approvals and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;
- (iv) no laws having been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or each Cornerstone Investment Agreement, and there being no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and
- (v) the respective representations, warranties, acknowledgements, undertakings, and confirmations of the Cornerstone Investors under their respective Cornerstone Investment Agreement are and will be accurate, true and complete in all material respects and not misleading or deceptive and that there is no material breach of the respective Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

### RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each Cornerstone Investor has agreed that it will not, whether directly or indirectly, at any time during the period of six months from and including the Listing Date (the “**Lock-up Period**”), dispose of any of the Offer Shares they have purchased pursuant to the relevant Cornerstone Investment Agreements, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction, as the case maybe.

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## SHARE CAPITAL

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### AUTHORIZED AND ISSUED SHARE CAPITAL

The following is a description of the authorized and issued share capital of our Company in issue and to be issued as fully paid or credited as fully paid immediately following the completion of the Global Offering.

As of the Latest Practicable Date, our authorized share capital was US\$50,000 divided into 5,000,000,000 shares, par value of US\$0.00001 each, of which (i) 4,382,811,294 shares shall be designated as Ordinary Shares and 617,188,706 shares shall be designated as Series A Preferred Shares.

As of the Latest Practicable Date, our issued share capital consisted of (i) 1,350,000,000 Ordinary Shares; and (ii) 596,034,582 Series A Preferred Shares.

Each of the Preferred Shares will be converted into ordinary Shares on a one-to-one basis by way of re-designation and re-classification immediately before Listing.

Assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised, the share capital of our Company immediately after the Global Offering will be as follows:

<u>Description of Shares</u>	<u>Number of Shares</u>	<u>Aggregate nominal value of Shares</u>
		<i>(US\$)</i>
Ordinary Shares with a par value of US\$0.00001 each (including Ordinary Share converted from Series A Preferred Shares) . . . . .	2,524,606,002	25,246.06
Shares to be issued under the Global Offering . . . . .	<u>240,570,000</u>	<u>2,405.70</u>
<b>Total . . . . .</b>	<b><u>2,765,176,002</u></b>	<b><u>27,651.76</u></b>

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## SHARE CAPITAL

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Assuming the Offer Size Adjustment Option is fully exercised and the Over-allotment Option is not exercised, the share capital of our Company immediately after the Global Offering will be as follows:

Description of Shares	Number of Shares	Aggregate nominal value of Shares
		(US\$)
Ordinary Shares with a par value of US\$0.00001 each (including Ordinary Share converted from Series A Preferred Shares) . . . . .	2,524,606,002	25,246.06
Shares to be issued under the Global Offering . . . . .	312,740,800	3,127.41
<b>Total</b> . . . . .	<b>2,837,346,802</b>	<b>28,373.47</b>

Assuming the Offer Size Adjustment Option is not exercised and the Over-allotment Option is fully exercised, the share capital of our Company immediately after the Global Offering will be as follows:

Description of Shares	Number of Shares	Aggregate nominal value of Shares
		(US\$)
Ordinary Shares with a par value of US\$0.00001 each (including Ordinary Share converted from Series A Preferred Shares) . . . . .	2,524,606,002	25,246.06
Shares to be issued under the Global Offering . . . . .	276,655,200	2,766.55
<b>Total</b> . . . . .	<b>2,801,261,202</b>	<b>28,012.61</b>

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## SHARE CAPITAL

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Assuming the Offer Size Adjustment Option and the Over-allotment Option are exercised in full, the share capital of our Company upon completion of the Global Offering will be as follows:

<u>Description of Shares</u>	<u>Number of Shares</u>	<u>Aggregate nominal value of Shares</u>
		<i>(US\$)</i>
Ordinary Shares with a par value of US\$0.00001 each (including Ordinary Share converted from Series A Preferred Shares) . . . . .	2,524,606,002	25,246.06
Shares to be issued under the Global Offering . . . . .	<u>359,651,600</u>	<u>3,596.52</u>
<b>Total</b> . . . . .	<b><u>2,884,257,602</u></b>	<b><u>28,842.58</u></b>

### ASSUMPTIONS

The above tables assume the Global Offering becomes unconditional, completion of the Global Offering, and that each of the Preferred Shares are converted into Shares on a one-to-one basis.

### RANKING

The Offer Shares are shares in the share capital of our Company and rank equally with all Shares currently in issue or to be issued (including all the Shares as converted from Preferred Shares upon completion of the Global Offering) and, in particular, will rank in full for all dividends or other distributions declared, made or paid on the Shares in respect of a record date which falls after the date of this Prospectus.

### CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

Pursuant to the Cayman Companies Act and the terms of the Articles of Association, our Company may from time to time by ordinary resolution of Shareholders (i) increase its share capital; (ii) consolidate and divide its share capital into Shares of larger amount; (iii) divide its Shares into several classes; (iv) subdivide its Shares or any of them into Shares of smaller amount than is fixed by the Memorandum of Association; and (v) cancel any Shares which have not been taken or agreed to be taken. In addition, our Company may, subject to the provisions of the Cayman Companies Act, reduce its share capital or capital redemption reserve by its Shareholders passing a special resolution. See “Summary of the Constitution of our Company and Cayman Islands Company Law” in Appendix III to this Prospectus for further details.

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## SHARE CAPITAL

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### PRE-IPO EQUITY INCENTIVE PLAN

The Company has adopted the Pre-IPO Equity Incentive Plan. See “Statutory and General Information — D. Pre-IPO Equity Incentive Plan” in Appendix IV to this Prospectus for further details.

### GENERAL MANDATE TO (I) ISSUE SHARES AND (II) SELL AND/OR TRANSFER TREASURY SHARES

Subject to the Global Offering becoming unconditional, our Directors were granted a general mandate to (i) allot, issue and deal with any Shares or securities convertible into Shares, and (ii) sell and/or transfer Shares out of treasury that are held as treasury shares of not more than the sum of:

- 20% of the total number of Shares in issue immediately following completion of the Global Offering (excluding (i) the additional Shares which may be issued pursuant to the exercise of the Over-allotment Option, and (ii) treasury shares, if any); and
- the aggregate nominal value of Shares repurchased by the Company under the authority referred to in the paragraph headed “— General Mandate to Repurchase Shares” in this section.

This general mandate to issue Shares and sell and/or transfer treasury shares will expire at the earliest of:

- the conclusion of the next annual general meeting of our Company unless otherwise renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions; or
- the expiration of the period within which our Company’s next annual general meeting is required by the Articles of Association or any other applicable laws to be held; or
- the date on which it is varied or revoked by an ordinary resolution of our Shareholders in a general meeting.

### GENERAL MANDATE TO REPURCHASE SHARES

Subject the Global Offering becoming unconditional, our Directors have been granted a general unconditional mandate, to exercise all the powers of our Company to repurchase our own securities with nominal value of up to 10% of the total number of Shares in issue immediately following the completion of the Global Offering (excluding (i) the additional Shares which may be issued pursuant to the exercise of the Over-allotment Option, and (ii) treasury shares, if any).

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## SHARE CAPITAL

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The repurchase mandate only relates to repurchases made on the Stock Exchange, or on any other stock exchange on which our Shares are listed (and which are recognized by the SFC and the Stock Exchange for this purpose), and which are in accordance with the Listing Rules. A summary of the relevant Listing Rules is set out in “Statutory and General Information — A. Further Information about our Group — 5. Repurchases of Our Own Securities” in Appendix IV to this Prospectus.

This general mandate to repurchase Shares will expire at the earliest of:

- the conclusion of the next annual general meeting of our Company unless otherwise renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions; or
- the expiration of the period within which our Company’s next annual general meeting is required by Articles of Association or any other applicable laws to be held; or
- the date on which it is varied or revoked by an ordinary resolution of our Shareholders in a general meeting.

See “Statutory and General Information — A. Further Information about Our Group — 4. Resolutions of Our Shareholders” in Appendix IV to this Prospectus for further details of the repurchase mandate.

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## FINANCIAL INFORMATION

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*You should read the following discussion and analysis in conjunction with historical financial information included in the Accountants' Report set forth in Appendix I to this Prospectus. Our historical financial information have been prepared in accordance with IFRS Accounting Standards, which may differ in material aspects from generally accepted accounting principles in other jurisdictions. You should read the entire Accountants' Report and not merely rely on the information contained in this section.*

*The following discussion and analysis contain forward-looking statements that reflect the current views with respect to future events and financial performance. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate under the circumstances. However, whether the actual outcome and developments will meet our expectations and predictions depends on a number of risks and uncertainties over which we do not have control. In evaluating our business, you should carefully consider all of the information provided in this Prospectus.*

*For the purpose of this section, unless the context otherwise requires, references to 2022, 2023 and 2024 refer to our financial year ended December 31 of such year. Unless the context otherwise requires, financial information described in this section is described on a consolidated basis.*

### OVERVIEW

We offer a licensed digital asset platform to provide (i) transaction facilitation services, (ii) on-chain services, and (iii) asset management services. Our platform has the capability to issue and circulate tokenised RWAs, and has launched HashKey Chain, a scalable and interoperable Layer 2 infrastructure designed to support on-chain migration.

Today, we are an established comprehensive digital asset company in Asia with a global footprint, providing end-to-end financial infrastructure, technology and investment management to create a digital assets ecosystem. Specifically, we are the largest regional onshore platform in Asia by trading volume in 2024, according to Frost & Sullivan. Beyond trading, we are also the largest on-chain services provider in terms of assets under staking and the largest digital asset manager by AUM in Asia, underscoring our leadership across all our businesses, according to the same source.

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## FINANCIAL INFORMATION

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### **BASIS OF PREPARATION**

The historical financial information has been prepared in accordance with all applicable IFRS Accounting Standards, as issued by the International Accounting Standards Board. For the purpose of preparing the historical financial information, we have adopted all applicable new and revised IFRS Accounting Standards throughout the Track Record Period, except for any new standards and interpretations issued that are not yet effect.

Further details of the material accounting policy information adopted are set out in Note 2 of the Accountants' Report included in Appendix I to this Prospectus.

### **MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business and results of operations are influenced by various general factors affecting the global digital asset industry, including macroeconomic conditions, regulatory developments and policy changes, market adoption of digital assets, Web3 infrastructure iteration, technological advancements, and the overall competitive landscape. Adverse movements in any of these areas may have a material impact on our business and results of operations.

In addition to these general factors, the following specific factors have a more direct impact on our results of operations.

#### **Liquidity level and exposure to market volatility in digital asset market**

The digital asset market is inherently volatile, with significant fluctuations in the prices of major digital assets such as Bitcoin and Ether occurring frequently. This volatility is driven by a combination of factors, including but not limited to macroeconomic trends, regulatory developments, technological advancements, investor sentiment and unforeseen market events such as exchange failures or protocol issues. Unlike traditional financial market, which often benefits from stabilizing mechanisms, digital assets are more susceptible to extreme price swings, making volatility a defining characteristic of this market. The fluctuations have a direct and considerable impact on our business. Our revenue mainly derives from transaction facilitation services mainly including exchange services and OTC services, are closely tied to market activity and sentiment. During periods of high volatility, we typically encounter an increase in trading volume as investors actively manage their portfolios, hedge risks or take advantage of speculative opportunities. The higher level of activity leads to increased transaction fees, directly boosting our revenue. However, during periods of market stagnation or declining volatility, trading volumes contract, which results in lower transaction-based revenue and reduced contributions from other services such as custody, staking and asset management.

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## FINANCIAL INFORMATION

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In addition to affecting trading volumes, volatility also influences the fair value of our digital asset holdings. We engage in trading to support market liquidity and facilitate orderly market conditions, and provide staking services. Sudden market corrections can have an amplified effect on both our revenue streams and our balance sheet, leading to more pronounced financial impacts. For example, in 2022, we recorded a fair value loss of HK\$20.3 million on our digital asset holdings, primarily driven by a sharp decline in global digital asset prices. These market fluctuations not only influence our financial results directly through changes in asset values but also indirectly through shifts in trading activity and sentiment. As such, the volatility inherent in the digital asset market remains a major external factor that significantly impacts our financial performance.

During the Track Record Period, especially in the nascent stage of our digital asset exchange platforms, our overall revenue was more susceptible to liquidity level and market volatility of digital assets due to our limited scale. In order to mitigate such market volatility, we have been further diversifying customer base, product offerings, geographic market coverage and monetization channels. As we scale up our digital asset exchange platforms, we expect to further mitigate the fair value risks of the digital assets. We currently do not plan to do short-term hedge as we hold these digital assets to capitalize on the long term growth prospect of the digital asset market.

### **Growing platform magnitude driving user penetration**

The adoption of digital assets has been steadily growing, driven by both institutional and retail participants, which collectively enhances our business prospects. Institutional adoption plays a significant role in establishing large-volume and recurring revenue streams. During the Track Record Period, a majority of our trading volume is contributed by institutional clients. As institutional investors increasingly enter the market, they bring substantial capital and stable trading volumes, contributing to consistent revenue generation. This institutional involvement, including hedge funds, asset managers and family offices, allows us to offer sophisticated products such as tokenised securities, staking services and customized investment solutions that cater to their unique needs. These engagements create a foundation for long-term relationships and revenue streams that are less susceptible to short-term market fluctuations.

On the other hand, retail user growth serves as a catalyst for driving higher trading volumes and boosting service subscriptions. The retail market, driven by growing awareness and access to digital assets, provides a dynamic and diverse base of participants. Increased retail engagement leads to a higher frequency of trades, as well as broader participation in services like staking and custody, contributing to fee-based revenue growth. As more individuals become familiar with the opportunities offered by digital assets, they contribute to the growth of transaction activity on our platform, expanding our user base and diversifying revenue sources.

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## FINANCIAL INFORMATION

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As digital asset adoption continues to increase, both in terms of institutional participation and retail involvement, we expect higher levels of activity across various services, including staking, tokenisation, and other fee-generating services such as RWA tokenisation. The expansion in adoption not only boosts trading volumes but also enhances the overall value proposition of our platform, enabling us to capture a greater share of the growing digital asset ecosystem.

### **Continuous expansion of product and service offerings**

Our ability to diversify our product and service offerings is also critical to our results of operations. For instance, the successful launch of our digital asset exchange platform in Hong Kong contributed to a remarkable 4.6 times increase in revenue from 2022 to 2024, demonstrating the pivotal role that product expansion plays in driving growth. Our plans to introduce new products, including derivatives, perpetual contracts, and equity/debt tokenisation, are crucial for diversifying our revenue streams and capitalizing on additional market opportunities. If we fail to effectively bring these products to market or if they fail to gain traction with clients, the resources invested in their development, marketing and support may not yield the expected returns. This could not only lead to financial losses but also weaken our competitive position, as we would fail to meet the evolving demands of our clients, particularly institutional investors. Additionally, our ability to expand our product portfolio may also affect client trust and retention, as customers expect continual innovation and new solutions. Timely meeting these expectations will future contribute to our growing market share, which is essential to the long-term sustainability of our business.

### **Adapting to evolving global digital asset regulations**

The digital asset market operates within a rapidly changing regulatory environment, particularly in Hong Kong and internationally. As a licensed operator in Hong Kong, we are required to proactively engage with regulators such as the SFC to ensure compliance with both existing and emerging regulations. However, the constantly evolving nature of digital asset regulations presents a significant risk if we fail to adapt quickly to new or updated rules, potentially resulting in financial penalties, reputational harm, or disruption to our operations. Maintaining robust frameworks for AML, CFT, and KYC practices is essential to our compliance efforts. While we are committed to continually enhancing these systems, there remains a risk that any failure to adequately update or monitor these frameworks in response to regulatory shifts could jeopardize our compliance standing and operational capabilities.

Moreover, regulatory changes in other international markets could necessitate substantial adjustments to our operations, including modifications to our product offerings or internal processes. Failure to adapt swiftly and effectively to such changes could result in operational delays, loss of market access, or diminished competitiveness. Given that regulatory standards can differ significantly across jurisdictions, the complexity of ensuring global compliance further heightens the risk to our business continuity and market position.

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## FINANCIAL INFORMATION

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### **Maintaining effective pricing under regulatory frameworks**

Maintaining effective pricing while adhering to regulatory frameworks is critical to our profitability. As digital asset markets become increasingly regulated, the compliance costs associated with these regulations can affect our ability to offer effective pricing. Regulatory requirements such as AML, CFT, KYC procedures, and the implementation of secure transaction monitoring systems add significant operational costs. These costs must be carefully managed to ensure that we can continue to offer competitive fees while complying with the regulatory landscape in all the markets we serve.

Furthermore, the regulatory compliance inevitably impacts pricing flexibility. For example, as we continue to expand our service offerings and customer base, increased compliance and operational overhead may erode our pricing margins, making it more challenging to provide low-cost services, especially in a competitive market where clients are sensitive to transaction fees. The risk lies in the possibility that increased regulatory obligations could force us to raise prices or cut back on service offerings, which may make us less attractive compared to competitors with lower costs.

### **Effective control of transaction and operational costs**

Our growth is also powered by strategic collaborations and ecosystem expansion, which enhance our distribution, liquidity and credibility. Our ability to optimize blockchain network fees through smart transaction routing and efficiently manage resources and cloud infrastructure is essential for managing costs. However, fluctuations in transaction costs or inefficiencies in resource allocation could adversely impact our financial performance. Blockchain network fees, such as gas fees on platforms like Ethereum, can be highly volatile, especially during periods of network congestion. If we fail to optimize transaction routing, these costs could significantly affect our margins, particularly as trading volumes increase. Furthermore, as our operations rely heavily on cloud infrastructure to scale, unexpected increases in cloud service costs, such as data storage, bandwidth usage, or service pricing adjustments, could add to our operational expenses.

Our operating expenses, which include (i) research and development expenses, (ii) sales and marketing expenses, and (iii) general and administrative expenses. As a percentage of total revenue, our operating expenses declined from 393.5% in 2022 to 351.2% in 2023, and further to 219.2% in 2024. It subsequently decreased from 239.7% for the six months ended June 30, 2024 to 185.7% during the same period in 2025. The improved trend evidences our ongoing success in enhancing operational efficiency and productivity while leveraging economies of scale from business growth.

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## FINANCIAL INFORMATION

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### **Strategic partnerships and ecosystem development**

Our long-term partnerships are a critical element of our growth strategy, allowing us to expand distribution, deepen liquidity and accelerate the adoption of tokenised assets. Collaborations with leading banks, payment networks, asset managers and fintech companies are essential to accessing new markets, enhancing liquidity, and ensuring the seamless flow of capital through our platform. At the same time, these partnerships require ongoing coordination and alignment with our partners' objectives, which may not always align with our strategic priorities.

Our involvement as a co-host of Hong Kong's Web3 Festival, a major digital asset conference, has strengthened our influence and increase brand recognition. These initiatives reinforce our positioning as an industry leader and create valuable opportunities to expand our reach. The continued success of such events and partnerships depends on cultivating strong, stable relationships with key stakeholders. We believe these collaboration efforts are expected to further broaden our customer base, enrich our product offerings, and continue driving long-term growth.

As the digital asset market continues to evolve, the dynamics of partnerships are also expected to shift. With increasing competition in the fintech and digital asset space, new players may seek to engage our partners, creating a more dynamic and competitive environment. At the same time, the importance of strong partnerships is growing, particularly in accessing institutional capital and accelerating the adoption of tokenised assets. By maintaining and deepening strategic collaborations, we believe we are able to expand our user base, enhance platform liquidity, and strengthen our ability to scale and compete effectively in a rapidly developing market.

## FINANCIAL INFORMATION

### OUR KEY OPERATING METRICS

We regularly review a number of key operating metrics to evaluate our core business operations, identify trends, formulate financial projections and make strategic decisions. The following table presents certain of our key operating data for the years/periods indicated.

	Year ended December 31/As of December 31,			Six months ended June 30/As of June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in billion)</i>				
<b>Transaction facilitation services</b>					
Trading volume . . . . .	4.2	328.0	638.4	347.6	214.1
Assets on platforms* . . . . .	–	0.9	11.4	4.0	12.5
<b>On-chain services</b>					
Average assets under staking . . . . .	10.2	11.3	25.7	24.4	20.2
<b>Asset management services</b>					
Asset under management (AUM) . . . . .	3.5	5.0	7.1	6.2	7.1

\* “assets on platforms” consist of (i) the value of clients’ crypto asset held with our licensed custodians, and (ii) the value of clients’ fiat assets held in segregated bank accounts. The value of crypto asset is measured by the quantity of crypto asset multiplied by their prevailing market price from the public database. The quantity of crypto assets is based on the closing balance as of the last day of each reporting period. Fiat asset value is calculated as the clients’ fiat balance multiplied by the applicable exchange rate on the last day of the period.

Our trading volume increased significantly from HK\$4.2 billion in 2022 to HK\$328.0 billion in 2023, subsequently increased to HK\$638.4 billion in 2024, primarily because our Hong Kong digital asset exchange platform commenced operations in the second half of 2023 and our Bermuda digital asset exchange platform commenced operation in 2024. Our trading volume decreased from HK\$347.6 billion in the six months ended June 30, 2024 to HK\$214.1 billion in the six months ended June 30, 2025. This is primarily attributable to our strategic shift in light of the market downturn, which led to less trading activities by retail customers, as evidenced by the decrease in monthly trading volume of our retail customers during the same period. The market downturn in the first half of 2025 refers to the substantial price decrease in major digital assets such as ETH (excepts for BTC), which heavily impacted retail customer sentiment. While the BTC price remained relatively flat at US\$93,429.2 as of December 31, 2024 and US\$107,135.3 as of June 30, 2025, the ETH price decreased significantly from US\$3,332.5 as of December 31, 2024 to US\$2,486.5 as of June 30, 2025, SOL price decreased significantly from US\$189.3 as of December 31, 2024 to US\$154.7 as of

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## FINANCIAL INFORMATION

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June 30, 2025, and TON price decreased significantly from US\$5.48 as of December 31, 2024 to US\$2.91 as of June 30, 2025. The market conditions of the digital asset market improved in the third quarter of 2025. Given the market downturn, we proactively concentrate our efforts on the Hong Kong digital asset exchange, which offered more attractive monetization opportunities, where (a) through our omnibus model in Hong Kong, we were able to partner with licensed financial institutions to broaden our outreach, (b) our Hong Kong digital asset exchange established the compliant on/off ramp channel to attract more quality institutional and professional investors, and (c) products were increasingly diversified with the launch of ETFs. This was evidenced by the increase in the trading volume through our Hong Kong digital asset exchange from the first half of 2024 to the first half of 2025. At the same time, we streamlined the product offerings and reduced the marketing activities of Bermuda digital asset exchange that decreased the trading volume. This was because our on/off ramp channel in Bermuda was not available before the fourth quarter of 2025, which made us less competitive against other digital asset exchanges. As such, we strategically concentrated our resources on our Hong Kong digital asset exchange during that period, which already has the on/off-ramp channel. Assets on platforms increased over the periods presented, driven by expansion of our exchange services in Hong Kong and growing client engagement. This growth was primarily a result of higher transactional activities on our digital asset exchanges, as we successfully onboarded more users, expanded our market reach, and enhanced platform liquidity and usability.

Our average assets under staking increased over the periods from 2022 to 2024, driven by the growing adoption of our staking services. This growth was supported by the expansion of our staking partnerships with leading blockchain networks, the enhancement of our staking infrastructure and a rise in client interest in staking with secure and compliant node validators. The increase in average assets under staking reflects the growing utilisation of our services as clients increasingly trust our platform for efficient and compliant staking opportunities. Our average assets under staking experienced a decline in the six months ended June 30, 2025, compared with the same period in 2024, primarily due to the fluctuations in the prices of tokens related to the proof of stake consensus mechanism (“PoS”). This was primarily due to ETH price, which decreased from US\$3,332.5 as of December 31, 2024 to US\$2,486.5 as of June 30, 2025. As of September 30, 2025, our assets under staking reached HK\$29.0 billion.

Our AUM increased over the periods presented, driven by a strong performance across our asset management services. This growth was primarily the result of our continued ability to manage a diversified portfolio of digital and traditional investment products, tailored to meet the evolving needs of our clients. The increase in AUM reflects our ability to advance investment strategies and the effectiveness of our approach to managing both risk and return. Although our AUM increased during the Track Record Period, our revenue from asset management services remained relatively stable because our venture capital funds charge management fees based on committed capital, while our other fund products charge fees based on AUM, and therefore changes in portfolio value did not directly affect our fee income.

## FINANCIAL INFORMATION

The following table sets forth the breakdown of monthly trading customers, monthly trading volumes and monetization rate by customer type for transaction facilitation services, for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
<b>Retail</b>					
Monthly trading customer . . . . .	0	971	15,967	6,211	14,099
Monthly trading volume (HK\$ in million) . . . . .	0	21,849	29,421	35,936	5,160
Monetization rate (%) <sup>(1)</sup> . . . . .	0	N/A <sup>(2)</sup>	0.08%	0.07%	0.19%
<b>Institutional</b>					
Monthly trading customer . . . . .	31	44	182	132	273
Monthly trading volume (HK\$ in million) . . . . .	349	5,486	22,806	21,978	24,304
Monetization rate (%) <sup>(1)</sup> . . . . .	0.13%	0.02%	0.04%	0.01%	0.07%
<b>Omnibus</b>					
Monthly trading customer . . . . .	0	N/A <sup>(2)</sup>	4	1	8
Monthly trading volume (HK\$ in million) . . . . .	0	N/A <sup>(2)</sup>	974	26	6,216
Monetization rate (%) <sup>(1)</sup> . . . . .	0	N/A <sup>(2)</sup>	0.04%	0.06%	0.04%

*Note:*

(1) The monetization rate refers to commission fee and other income divided by the trading volume of the same period.

(2) The figures are too small to be meaningful.

The following table sets forth our key customer metrics for the years/periods indicated.

	As of/Year ended December 31,			As of/Six months ended June 30,	
	2022	2023	2024	2024	2025
Registered customers <sup>(1)</sup> . . . . .	18	158,600	1,337,172	352,118	1,446,926
Funded customers <sup>(2)</sup> . . . . .	N/A <sup>(3)</sup>	3,753	120,743	16,413	138,517

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*Notes:*

- (1) refer to users who have successfully completed the account registration process on our platform, including the submission of required personal information and account verification under our KYC procedures, and are therefore eligible to access our platform services;
- (2) refer to registered customers who have deposited fiat currencies or digital assets into their platform accounts, thereby becoming eligible to execute trades or engage in other transaction activities on the platform.
- (3) In 2022, before our exchange platforms commenced operations, customers were onboarded through our over-the-counter trading desk, and such OTC clients did not keep their assets on our platform.

During the Track Record Period, our registered customers increased significantly from 18 as of December 31, 2022 to 158,600 as of December 31, 2023, and further surged to 1,337,172 as of December 31, 2024, mainly driven by the launch and continued expansion of our exchange platform. The number of registered customers subsequently increased from 352,118 as of June 30, 2024 to 1,446,926 as of June 30, 2025, demonstrating the rapid expansion of our exchange platform and our strengthened market presence. Our funded customers increased from nil as of December 31, 2022 to 3,753 as of December 31, 2023, and further to 120,743 as of December 31, 2024, and subsequently increased from 16,413 as of June 30, 2024 to 138,517 as of June 30, 2025, primarily attributable to the same reasons mentioned above.

Funded customer retention rate refers to the proportion of customers who have deposited fiat currencies or digital assets into their platform accounts during a base period and remained active in subsequent periods. It is calculated by dividing the number of funded customers who continue to transact or use the platform's services in a subsequent period by the total number of funded customers in the base period. During the Track Record Period, our funded customer retention rate remained high and stable at 99.9%.

The following table sets forth the breakdown of trading volume by customer type for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
			<i>(in billion)</i>		
Retail customers . . . .	–	262.2	353.0	215.6	31.0
Institutional					
customers . . . . .	4.2	65.8	273.7	131.9	145.8
Omnibus customers . .	–	–	11.7	0.2	37.3
<b>Total . . . . .</b>	<b><u>4.2</u></b>	<b><u>328.0</u></b>	<b><u>638.4</u></b>	<b><u>347.6</u></b>	<b><u>214.1</u></b>

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During the Track Record Period, our trading volume from institutional customers maintained an upward trend. It increased from HK\$4.2 billion in the year ended December 31, 2022 to HK\$65.8 billion in the year ended December 31, 2023, and further to HK\$273.7 billion in the year ended December 31, 2024, and subsequently increased from HK\$131.9 billion in the six months ended June 30, 2024 to HK\$145.8 billion during the same period in 2025. Our trading volume from omnibus customers increased from nil in 2023 to HK\$11.7 billion in 2024, and subsequently increased from HK\$0.2 billion in the six months ended June 30, 2024 to HK\$37.3 billion during the same period in 2025. Our trading volume from both institutional customers and omnibus customers increased steadily during the Track Record Period. Our trading volume from retail customers recorded fluctuations during the Track Record Period. It increased from nil in the year ended December 31, 2022 to HK\$262.2 billion in the year ended December 31, 2023. The trading volume from retail customers further increased from HK\$262.2 billion in the year ended December 31, 2023 to HK\$353.0 billion in the year ended December 31, 2024, primarily attributable to the launch and rapid growth of our exchange platform in 2023. The trading volume from retail customers decreased from HK\$215.6 billion in the six months ended June 30, 2024 to HK\$31.0 billion during the same period in 2025, mainly due to the overall market slowdown.

The following table sets forth the breakdown of trading volume by assets for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
			<i>(in billion)</i>		
Fiat . . . . .	2.0	145.9	153.9	77.6	94.8
USDT . . . . .	1.3	19.3	193.4	104.2	67.8
BTC . . . . .	0.2	123.6	244.4	141.8	28.5
ETH . . . . .	0.1	36.1	27.1	15.1	15.0
Others . . . . .	<u>0.6</u>	<u>3.1</u>	<u>19.6</u>	<u>8.9</u>	<u>7.9</u>
<b>Total . . . . .</b>	<b><u>4.2</u></b>	<b><u>328.0</u></b>	<b><u>638.4</u></b>	<b><u>347.6</u></b>	<b><u>214.1</u></b>

Fiat trading volume increased significantly from HK\$2.0 billion in 2022 to HK\$145.9 billion in 2023 and HK\$153.9 billion in 2024. Fiat trading volume subsequently increased from HK\$77.6 billion in the six months ended June 30, 2024 to HK\$94.8 billion during the same period in 2025, mainly attributable to the shift of market participants' preference towards fiat channels amid the market slowdown. USDT trading volume grew from HK\$1.3 billion in 2022 to HK\$19.3 billion in 2023, and increased to HK\$193.4 billion in 2024. USDT trading volume subsequently declined from HK\$104.2 billion in the six months ended June 30, 2024 to HK\$67.8 billion during the same period in 2025, consistent with the overall market downturn. BTC trading volume increased substantially from HK\$0.2 billion in 2022 to HK\$123.6 billion in 2023, and further to HK\$244.4 billion in 2024, primarily driven by the increase in overall market activity following the launch of our exchange platform. However, BTC trading volume

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## FINANCIAL INFORMATION

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decreased from HK\$141.8 billion in the six months ended June 30, 2024 to HK\$28.5 billion during the same period in 2025, mainly attributable to overall market downturn. ETH trading volume increased from HK\$0.1 billion in 2022 to HK\$36.1 billion in 2023. It subsequently decreased to HK\$27.1 billion in 2024, mainly due to the fluctuated market conditions for ETH. ETH trading volume remained relatively stable at HK\$15.1 billion and HK\$15.0 billion in the six months ended June 30, 2024 and 2025, respectively.

### MATERIAL ACCOUNTING POLICY INFORMATION AND ESTIMATES

Some of our accounting policies require us to apply estimates, assumptions, and complex judgments related to accounting items. These estimates, assumptions, and judgments have a significant impact on our financial position and results of operations. Our management continuously evaluates such estimates, assumptions, and judgments based on past experience, industry practices, and expectations of future events that are deemed reasonable under the circumstances. During the Track Record Period, there had not been any material deviation from our management's estimates or assumptions and actual results, and we had not made any material changes to these estimates or assumptions. We do not expect any material changes to these estimates and assumptions in the foreseeable future.

Our material accounting policy information, estimates and judgments, which are important for understanding our financial condition and results of operations, are set forth in further detail in Note 2 to the Accountants' Report included in Appendix I to this Prospectus.

Set forth below are accounting policies that we believe are material to us or involve the most significant estimates, assumptions and judgments used in the preparation of our financial statements.

#### **Revenue recognition**

Revenue represents income arising in the course of our ordinary activities.

The following is a description of the accounting policy for the principal revenue streams:

#### ***Revenue from contracts with customers***

We recognize revenue when goods are transferred or services are rendered to the customer at the amount of promised consideration to which we are expected to be entitled, excluding those amounts collected on behalf of third parties.

#### ***Commission fee income***

We earn commission fee income through our trading facilitation business. Commission fee income is recognized at a point in time when the relevant transactions are executed. The amount recognized reflects the contractual commission rate applied to the transaction value.

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### *Service income*

We provide other different types of services apart from the above-mentioned services through our trading facilitation business, including withdrawal service and custody service. Service fee income is recognized when the related services are rendered. If the customer simultaneously receives and consumes the benefits provided by our performance as we perform, such as custody service, service fee is recognized as revenue over the period in which the service is performed. Otherwise, service fee is recognized as revenue at a point in time when the service is completed. The amount recognized reflects the fixed service charges or the contractual rate applied to the transaction value.

### *Listing fee income*

We provide listing services to issuers of digital assets, enabling their tokens or coins to be listed and traded on our trading platform. Generally we charge a fixed listing fee throughout the listing period. Listing fee is recognized as revenue on a straight-line basis over the period in which the listing service is rendered.

### *Trading of digital assets*

Trading of digital assets represents the revenue arising from disposal of digital assets. We recognize revenue when the control over the digital assets is transferred to customers, which is the point in time when the sale is completed. The amount recognized reflects the sales proceeds.

### *Staking and node validation income*

Staking income represents the award generated on-chain from participating in network validation to support the blockchain operation. Staking income is recognized when the award is generated, representing we have performed the network validation service. We recognize node validation income when the award is generated, representing we have performed the node validation service. Staking and node validation income is measured at fair value of the award at the date when the award is received.

### *Web3 events fee income*

Web3 events fee income represents the ticket sales and the sponsorship income from Web3 events organization. Revenue from ticket sales and sponsorship income is recognized at the point in time when the event is held and our obligation to host the event is fulfilled.

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### *Asset management fee income*

Asset management fee income includes periodic management fees calculated based on assets under management and performance-based fees. We recognize periodic management fee income over time using a time-based measure of progress. Periodic management fees and performance-based fees are variable consideration for which revenue recognition is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Specifically, we recognize periodic management fees and performance-based fees as revenue at the end of the relevant period when the actual amounts are confirmed.

### *Revenue from other sources*

#### *Fair value gain/(loss) on digital assets*

Fair value gain/(loss) represent the net gain/(loss) from transactions in, and remeasurement of “Digital assets at FVTPL” that are deployed in the transaction facilitations business.

For “Digital assets at FVTPL” that are deployed in other use, e.g. in house treasury purpose, such balance is recognised under “other gains/(loss), net”.

#### *Interest income*

Interest income is recognized using the effective interest method. The effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). For financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost (i.e. gross carrying amount net of loss allowance) of the asset. Interest income from client trust accounts represents the interest income arising from transaction facilitation services, specifically from clients’ fiat deposits held on exchange platforms. The interest rate is based on standard commercial terms applicable to a current bank account, from time to time.

### **Digital assets**

#### *Digital assets presented in the historical financial information*

We hold digital assets mainly for the purposes of staking, trading in the ordinary course of our business in over-the-counter markets, and facilitating the deal-matching services as part of digital assets exchange platforms.

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## FINANCIAL INFORMATION

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Depending on the characteristics of the digital assets and the business model of our activities, we classify and measure digital assets by the following categories:

*Inventory — fair value less costs to sell*

Since we actively trade digital assets, purchasing them with a view to their resale in the near future and generating a profit from fluctuations in price, we apply the guidance in IAS 2 “Inventories” for commodity broker-traders (“**commodity broker-traders exemption**”) and measure the digital assets at fair value less costs to sell. We consider that there are no significant “costs to sell” digital assets, and hence, the measurement of digital assets is based on their fair values, with changes in fair values recognized in profit or loss.

Defined by paragraph 5 of IAS 2, inventory under commodity broker-traders is principally acquired with the purpose of selling in the near future and generating a profit from fluctuations in price or broker-traders’ margin.

Digital assets classified as inventory and measured at fair value less costs to sell are presented as “Digital assets at fair value through profit or loss” in our historical financial information.

*Inventory — lower of cost and net realizable value*

Digital assets classified as inventories and measured at the lower of cost and net realizable value are assets that we hold for sale in the ordinary course of business in the rendering of services that do not qualify for the commodity broker-traders exemption.

We carry inventories at the lower of cost and net realizable value as follows:

- Cost is calculated using the weighted average cost formula; and
- Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

We consider that there are no significant “costs to sell” digital assets, and hence, the measurement of net realizable value is based on the digital assets’ fair values.

When inventories are sold, we recognize the carrying amount of those inventories as an expense in the period in which the related revenue is recognized.

The amount of any write-down of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs. The Group determines the net realizable value at the end of each reporting period.

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## FINANCIAL INFORMATION

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Digital assets classified as inventory and measured at the lower of cost and net realizable value are presented as “Inventory — digital assets” in our historical financial information.

### *Intangible assets — digital assets*

Digital assets held for staking with indefinite useful lives are classified as intangible assets.

We recognized digital assets at cost. After initial recognition, the digital assets are carried at a revalued amount, being their fair value at the date of revaluation. For the purpose of revaluations, we measure fair value by reference to an active market. Revaluations is made at the end of the reporting period.

For subsequent measurement, we recognize any surplus arising on the revaluation on intangible assets — digital assets in other comprehensive income (“**OCI**”) (and presented in the revaluation reserve within equity) except to the extent that the surplus reverses a previous revaluation deficit on the same asset recognized in profit or loss, in which case a credit up to the amount of the deficit previously charged to profit or loss is recognized in profit or loss. We recognize any deficit on revaluation in profit or loss except to the extent of any balance in the revaluation reserve on the same asset, in which case it is recognized in OCI (and deducted from the revaluation reserve in equity). The cumulative revaluation surplus included in equity is transferred directly to retained earnings when the digital asset is disposed.

### *Digital assets borrowing and lending*

We recognize digital assets borrowed as assets and we present them as “digital assets at fair value through profit or loss” with a corresponding liability recognized as “digital assets payable”. We measure the balances initially and subsequently at fair value, with changes in fair value recognized in profit or loss. Upon maturity of the borrowing arrangements and we repay the digital assets, the related digital assets and liability are derecognized.

### *Digital assets receivables and payable*

We settle receivables and measure payable by digital assets initially and subsequently at fair value, with changes in fair value recognized in profit or loss. We present the receivables and payables as “digital assets receivables” and “digital assets payables” on historical financial information.

### ***Digital assets not presented in the historical financial information***

Our subsidiaries receive certain digital assets from and hold on behalf of clients for staking purposes and for trading of the digital assets on exchange platforms.

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These digital assets arising thereon are excluded from the historical financial information based on the respective rights and obligations of the underlying terms and conditions with the clients, on the following basis:

- Those subsidiaries do not entitle to any benefit of income from the holding of these client's digital assets;
- Those subsidiaries are legally restrained from transferring or transacting with these client's digital assets other than as instructed by the clients; and
- These client's digital assets are safekept in segregated client wallets.

### CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income, in absolute amounts, for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			<i>(unaudited)</i>	
<b>Revenue</b> . . . . .	<b>129,064</b>	<b>207,792</b>	<b>720,731</b>	<b>384,186</b>	<b>283,967</b>
Cost of revenue . . . . .	(3,571)	(12,431)	(188,218)	(105,810)	(99,489)
<b>Gross profit</b> . . . . .	<b>125,493</b>	<b>195,361</b>	<b>532,513</b>	<b>278,376</b>	<b>184,478</b>
Other (loss)/gains, net . . . .	(167,419)	8,265	39,908	(27,773)	(59,468)
Research and development expenses . . . . .	(247,185)	(324,065)	(556,661)	(258,397)	(225,232)
Sales and marketing expense . . . . .	(79,391)	(146,735)	(390,099)	(190,445)	(181,398)
General and administrative expenses . . . . .	(181,314)	(258,998)	(632,960)	(472,013)	(120,797)
<b>Loss from operations</b> . . . .	<b>(549,816)</b>	<b>(526,172)</b>	<b>(1,007,299)</b>	<b>(670,252)</b>	<b>(402,417)</b>
Finance costs . . . . .	(21,572)	(36,270)	(169,278)	(90,513)	(87,993)
Share of net loss from an associate . . . . .	(12,601)	(13,525)	(6,893)	(8,943)	(14,290)
<b>Loss before taxation</b> . . . .	<b>(583,989)</b>	<b>(575,967)</b>	<b>(1,183,470)</b>	<b>(769,708)</b>	<b>(504,700)</b>
Income tax . . . . .	(1,205)	(3,985)	(6,137)	(2,901)	(2,046)
<b>Loss for the year/period</b> .	<b>(585,194)</b>	<b>(579,952)</b>	<b>(1,189,607)</b>	<b>(772,609)</b>	<b>(506,746)</b>
<b>Attributable to:</b>					
Equity shareholders of the Company . . . . .	(584,706)	(580,412)	(1,188,993)	(776,977)	(506,314)
Non-controlling interests . .	(488)	460	(614)	4,368	(432)
<b>Loss for the year/period</b> .	<b>(585,194)</b>	<b>(579,952)</b>	<b>(1,189,607)</b>	<b>(772,609)</b>	<b>(506,746)</b>

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### NON-IFRS MEASURE

To supplement our consolidated statements of profit or loss and other comprehensive income which are presented in accordance with IFRS Accounting Standards, we use adjusted loss (Non-IFRS measure) as an additional financial measure, which are not required by, or presented in accordance with, IFRS Accounting Standards. We define adjusted loss (Non-IFRS measure) as loss for the year/period adjusted by adding back (i) equity-settled share-based payments expenses, which are non-cash in nature, (ii) interest expense arising from preferred shares – HashKey Series A, which will be converted into equity upon the Listing, and (iii) fair value loss on convertible bond, which is non-cash in nature and has been converted into redemption liabilities.

We believe that this Non-IFRS measure facilitates the comparisons of operating performance and provides useful information to investors and others in understanding and evaluating our operating performance in the same manner as they help our management.

However, our presentation of this Non-IFRS measure may not be comparable to similarly titled measures presented by other companies. The use of this Non-IFRS measure has limitations as an analytical tool, and investors should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards. The following table sets forth a reconciliation of our adjusted net loss (Non-IFRS measure) for the years ended December 31, 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
				<i>(unaudited)</i>	
	<i>(in thousands)</i>				
Loss for the year/period . . .	(585,194)	(579,952)	(1,189,607)	(772,609)	(506,746)
Add_back:					
Equity-settled share-based payments expenses . . . . .	3,555	10,430	566,208	500,236	2,571
Interest expense arising from preferred shares – HashKey Series A . . . . .	–	5,217	78,215	31,848	52,202
Fair value loss on convertible bond . . . . .	5,208	113,655	–	–	–
<b>Adjusted loss for the year/period (Non-IFRS measure) . . .</b>	<b><u>(576,431)</u></b>	<b><u>(450,650)</u></b>	<b><u>(545,184)</u></b>	<b><u>(240,525)</u></b>	<b><u>(451,973)</u></b>

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### DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

#### Revenue

The following table sets forth the breakdown of our revenue by service of our total revenue, for the years/periods indicated.

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(unaudited)</i>				
<b>Transaction facilitation services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
Commission fee income . . . . .	5,340	11,582	239,910	126,141	107,994
Listing fee income . . . . .	–	–	30,908	1,660	43,578
Trading of digital assets . . . . .	–	–	133,972	86,676	21,330
Service fee income . . . . .	–	529	82,805	37,700	11,343
<i>Interest income calculated using the effective interest method</i>					
<i>Interest income from client trust accounts . . . . .</i>					
	–	119	15,096	4,729	15,896
<i>Revenue from other sources</i>					
Fair value (loss)/gain on digital assets . . . . .	(20,255)	38,218	15,082	15,202	(6,928)
	(14,915)	50,448	517,773	272,108	193,213
<b>On-chain services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
<i>Staking and node validation income . . . . .</i>					
	65,765	48,531	81,761	39,278	27,460
Web3 events fee income . . . . .	–	27,352	37,136	35,115	23,749
Others . . . . .	6,042	2,567	5,905	32	1,782
	71,807	78,450	124,802	74,425	52,991
<b>Asset management services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
Asset management fee income . . . . .	72,172	78,894	78,156	37,653	37,763
	129,064	207,792	720,731	384,186	283,967

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## FINANCIAL INFORMATION

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**Transaction facilitation services.** We provide transaction facilitation services through our integrated platform, covering exchange services, OTC services and custody services. Revenue from transaction facilitation services is derived primarily from our exchange services, where we primarily generated revenue from (i) commission fees charged on each executed trade, and (ii) disposal of digital assets. During the Track Record Period, a majority of our trading volume was contributed by institutional clients, demonstrating the significant role of institutional participants in driving our platform's activity. To a lesser extent, we also generate revenue from OTC services, mainly through the spread applied to quoted prices, and from custody services, primarily through safekeeping fees for digital assets held under custody. We charge percentage-based trading commissions, and the applicable rate differs by the customer types and the trading platform adopted. During the Track Record Period, our commission fee rates ranged from 0.03% to 0.29%. Interest revenue represents the interest income earned from authorized financial institutions on clients' fiat deposits maintained on our exchange platforms as part of our ordinary course of business operations. The interest rate is based on standard commercial terms applicable to a current bank account, and is consistent with the prevailing market practice adopted by other licensed digital asset exchanges. Our Hong Kong-based exchange platform commenced operations in the third quarter of 2023. As part of our strategic market-entry approach, we initially adopted a zero-fee or low-fee pricing model to accelerate user acquisition and expand our client base. Consequently, the platform did not generate meaningful revenue in 2023. During the Track Record Period, revenue generated from custody service amounted to nil, nil, HK\$1.3 million, nil, and HK\$2.1 million, respectively. For details, see "Business — Our Solutions — Transaction facilitation services."

During the Track Record Period, transaction facilitation services developed into our primary revenue driver. In 2022, we incurred a loss from transaction facilitation services, mainly due to a fair value loss on digital assets resulting from market price fluctuations, where OTC business was our primary revenue source. Our exchange platform generated limited commission fee income as it was still in its early development stage. Moreover, the fair value loss of digital assets further impacted our financial performance in 2022. From 2022 to 2024, our revenue from transaction facilitation services experienced significant growth, primarily driven by the launch of our exchange platforms in Hong Kong and other global markets. From the six months ended June 30, 2024 to the same period in 2025, the decrease in revenue from transaction facilitation services was primarily attributed to the decline in revenue from our trading of digital assets, primarily due to market downturn in the first half of 2025. The "trading of digital assets" represents the sale proceed from disposal of "inventory – digital assets", which are the digital assets received from transaction facilitations business, where the "fair value (loss)/gain on digital assets" represent the net (loss)/gain from transactions in, and remeasurement of "Digital assets at FVTPL" that are deployed in the transaction facilitations business.

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**On-chain services.** We deliver a range of on-chain services that support the infrastructure and application layers of the digital asset ecosystem, mainly including staking services and tokenisation services. Our on-chain services revenue primarily comes from staking services, where we share blockchain rewards with users for participating in staking activities. During the Track Record Period, our tokenisation service and HashKey Chain service generated limited revenue. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, revenue generated from tokenisation service was nil, HK\$0.4 million, HK\$7.0 million, HK\$5.8 million, and HK\$1.1 million, respectively. In 2022, 2023, 2024 and six months ended June 30, 2024 and 2025, revenue generated from HashKey Chain service was nil, nil, nil, nil, and HK\$42 thousand, respectively. Nonetheless, we expect tokenisation and HashKey Chain service to become future revenue drivers that are in line with the industry trend, such as the expansion of tokenisation scope, which is expected to contribute to our revenue growth over the next three years. For details, see “Business — Our Solutions — On-chain services.”

**Asset management services.** Our asset management services focus on venture capital funds investing in early-stage blockchain and fintech companies, as well as secondary market funds providing exposure to liquid tokens and other digital asset strategies. We generate revenue from asset management services from (i) our venture capital solutions, where we charge management fees and performance-based carried interest, and (ii) our secondary market fund solutions, where we mainly charge fixed management fees. For details, see “Business — Our Solutions — Asset management services.”

The following table sets forth the breakdown of our revenue from transaction facilitation services by geographic location, for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	HK\$	%	HK\$	%	HK\$	%	HK\$	%	HK\$	%
	<i>(unaudited)</i>									
	<i>(in thousands, except for percentages)</i>									
<b>Transaction facilitation services</b>										
Hong Kong . . . . .	10,337	(69.3)	1,850	3.7	137,695	26.6	86,094	31.6	110,529	57.2
Bermuda . . . . .	–	–	–	–	335,187	64.7	155,594	57.2	73,112	37.8
Others . . . . .	(25,252)	169.3	48,598	96.3	44,891	8.7	30,420	11.2	9,572	5.0
<b>Total . . . . .</b>	<b>(14,915)</b>	<b>100.0</b>	<b>50,448</b>	<b>100.0</b>	<b>517,773</b>	<b>100.0</b>	<b>272,108</b>	<b>100.0</b>	<b>193,213</b>	<b>100.0</b>

## FINANCIAL INFORMATION

For transaction facilitation services, we operate our exchange platforms in Hong Kong and Bermuda, and provide OTC services in Hong Kong and Singapore. Our on-chain services are conducted in Hong Kong, while our asset management services are carried out predominantly in Singapore. Since our Hong Kong digital asset exchange platform commenced operations in the second half of 2023, we mainly generated revenue from the OTC services in Singapore in 2023. Transaction facilitation revenue generated from others mainly represented our revenue from the OTC services in Singapore, with the loss in 2022 arising from fair value changes of digital assets. Revenue from transaction facilitation services grew significantly in 2023 and 2024 as our Hong Kong and Bermuda operations scaled, and subsequently decreased from HK\$272.1 million in the six months ended June 30, 2024 to HK\$193.2 million during the same period in 2025, mainly due to the market downturn.

### Cost of Revenue

The following table sets forth a breakdown of our cost of revenue by segment, in absolute amounts and as a percentage of our total cost of revenue, for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	<i>HK\$</i>	<i>%</i>	<i>HK\$</i>	<i>%</i>	<i>HK\$</i>	<i>%</i>	<i>HK\$</i>	<i>%</i>	<i>HK\$</i>	<i>%</i>
	<i>(unaudited)</i>									
	<i>(in thousands, except for percentages)</i>									
Transaction facilitation										
services . . . . .	1,845	51.7	8,278	66.6	179,136	95.2	102,691	97.1	96,418	96.9
On-chain services . . . . .	1,706	47.8	4,129	33.2	8,810	4.7	3,119	2.9	3,006	3.0
Asset management										
services . . . . .	20	0.6	24	0.2	272	0.1	-	-	65	0.1
<b>Total . . . . .</b>	<b><u>3,571</u></b>	<b><u>100.0</u></b>	<b><u>12,431</u></b>	<b><u>100.0</u></b>	<b><u>188,218</u></b>	<b><u>100.0</u></b>	<b><u>105,810</u></b>	<b><u>100.0</u></b>	<b><u>99,489</u></b>	<b><u>100.0</u></b>

During the Track Record Period, the majority of our cost of revenue has been attributable to transaction facilitation services, accounting for 51.7%, 66.6%, 95.2%, 97.1% and 96.9% of our total cost of revenue in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. The cost of revenue for transaction facilitation services primarily consists of costs relating to trading of digital assets, which is expense or carrying value assigned to digital assets when they are sold or otherwise disposed of, liquidity provider expenses and blockchain gas fee. The cost of revenue for on-chain services primarily consists of expenses associated with blockchain infrastructure, the majority of which are blockchain gas fees.

## FINANCIAL INFORMATION

### Cost of Revenue and Expenses in HSK

Cost of revenue and expenses in HSK refers to non-cash awards paid to our business partners. In 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, the cost of revenue and expenses in HSK was HK\$9.9 million, HK\$70.8 million, HK\$176.7 million, HK\$82.9 million, and HK\$123.0 million, respectively. The fluctuations of cost of revenue and expenses in HSK impacted our results of operations during the Track Record Period. During the Track Record Period, we did not conduct any proprietary trading of HSK, and we did not hold any HSK tokens for purposes other than those specified in the HSK whitepaper. Accordingly, we did not hold any HSK for proprietary trading or other commercial purposes during the Track Record Period.

The decrease in HSK price in 2025 was primarily driven by overall market sentiment and investor expectations. While we have a commitment to use 20% of our net profit to repurchase from the market and burn HSKs based on the HSK whitepaper, no repurchase was carried out during the period as we have not yet met the repurchase conditions. The fluctuation in HSK price had no impact on our financial position or performance, as the cost or fair value of HSK granted were recognized at the time of grant in accordance with our accounting policies.

The utilisation ratio of HSK is calculated based on the HSK fee income received over a four-year projection period divided by the total HSK granted during the corresponding period. The utilisation ratios were 1.71%, and 0.49% as of December 31, 2024 and June 30, 2025, respectively. The fluctuations in utilisation ratio primarily reflected variations in platform usage intensity.

The following table sets out a breakdown of our cost of revenue by nature, in absolute amounts and as a percentage of our total cost of revenue, for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	HK\$	%	HK\$	%	HK\$	%	HK\$	%	HK\$	%
	<i>(unaudited)</i>									
	<i>(in thousands, except for percentages)</i>									
Cost of digital assets										
sold . . . . .	-	-	-	-	131,933	70.1	86,136	81.4	22,145	22.3
Transaction expenses . .	3,555	99.5	9,430	75.9	50,953	27.1	17,266	16.3	75,708	76.1
Others . . . . .	16	0.5	3,001	24.1	5,332	2.8	2,408	2.3	1,636	1.6
<b>Total . . . . .</b>	<b>3,571</b>	<b>100.0</b>	<b>12,431</b>	<b>100.0</b>	<b>188,218</b>	<b>100.0</b>	<b>105,810</b>	<b>100.0</b>	<b>99,489</b>	<b>100.0</b>

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Cost of digital assets sold refers to expense or carrying value assigned to digital assets when they are sold or otherwise disposed of. Transaction expenses mainly include liquidity provider expenses, which are fees paid by us for the liquidity provided relating to our exchange service, and blockchain gas fee, which are the transaction cost paid to validators or miners on a blockchain network to process, validate and record transactions or smart contracts. Our transaction expenses increased from HK\$17.3 million for the six months ended June 30, 2024 to HK\$75.7 million for the six months ended June 30, 2025, primarily attributable to increased liquidity cost. This increase was because we expanded our liquidity provision in light of the market downturn, aimed at deepening order book depth and narrowing bid-ask spreads.

### Gross Profit and Gross Profit Margin

Gross profit is calculated as total revenue minus cost of revenue. The ratio of gross profit to total revenue is referred to as the gross profit margin. The following table sets forth a breakdown of our gross profit and gross profit margin by service for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	HK\$	%	HK\$	%	HK\$	%	HK\$	%	HK\$	%
	<i>(unaudited)</i>									
	<i>(in thousands, except for percentages)</i>									
Transaction facilitation services . . . . .	(16,760)	N/A	42,170	83.6	338,637	65.4	169,417	62.3	96,795	50.1
On-chain services . . . . .	70,101	97.6	74,321	94.7	115,992	92.9	71,306	95.8	49,985	94.3
Asset management services . . . . .	72,152	100.0	78,870	100.0	77,884	99.7	37,653	100.0	37,698	99.8
<b>Total . . . . .</b>	<b>125,493</b>	<b>97.2</b>	<b>195,361</b>	<b>94.0</b>	<b>532,513</b>	<b>73.9</b>	<b>278,376</b>	<b>72.5</b>	<b>184,478</b>	<b>65.0</b>

We recorded gross profit of HK\$125.5 million, HK\$195.4 million, HK\$532.5 million, HK\$278.4 million and HK\$184.5 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. Our gross profit increased over the period from 2022 to 2024, mainly attributable to the gross profit from our transaction facilitation services, which amounted to HK\$(16.8) million, HK\$42.2 million and HK\$338.6 million in 2022, 2023 and 2024, respectively, driven by the launch and continued expansion of our licensed exchange platforms in Hong Kong and globally. Our gross profits decreased from June 30, 2024 to June 30, 2025, primarily due to our gross profit from our transaction facilitation services, which amounted to HK\$169.4 million and HK\$96.8 million, respectively, resulting from price fluctuations and the downward trend of the digital asset market. Our gross profit of on-chain

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## FINANCIAL INFORMATION

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services increased steadily from HK\$70.1 million in 2022 to HK\$74.3 million in 2023, and further increased significantly to HK\$116.0 million in 2024, primarily attributed to the growth of our staking services. Our gross profit of on-chain services decreased from HK\$71.3 million for the six months ended June 30, 2024 to HK\$50.0 million during the same period in 2025, primarily due to the downward trend in the market and the decline in digital asset prices. Our gross profit from asset management services remained relatively stable at HK\$72.2 million, HK\$78.9 million, HK\$77.9 million, HK\$37.7 million and HK\$37.7 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.

Our gross profit margins amounted to 97.2%, 94.0%, 73.9%, 72.5% and 65.0% in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. The gross profit margin remained stable at 97.2% and 94.0% in 2022 and 2023, respectively. Our gross profit margin decreased from 94.0% in 2023 to 73.9% in 2024, primarily due to the higher revenue contribution from transaction facilitation services. Our gross profit margin decreased from 72.5% for the six months ended June 30, 2024 to 65.0% during the same period in 2025, mainly attributable to the decrease in the gross profit margin of our transaction facilitation services from 62.3% for the six months ended June 30, 2024 to 50.1% during the same period in 2025, primarily as a result of price fluctuations and the downward trend of the digital asset market.

### **Other (Loss)/Gains, Net**

Our (loss)/gains, net consist of (i) net fair value (loss)/gain on financial instruments, (ii) net fair value gain/(loss) on digital assets, (iii) impairment loss on intangible assets and others, (iv) net (charge)/recovery of ECL for trade receivable, (v) interest income calculated using the effective interest method: interest income from banks and others, (vi) foreign exchange gain, net, (vii) recovery from impaired account receivables, and (viii) others.

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The following table sets forth the breakdown of our other (loss)/gains, net for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	HK\$	%	HK\$	%	HK\$	%	HK\$	%	HK\$	%
	<i>(unaudited)</i>									
	<i>(in thousands, except for percentages)</i>									
Net fair value										
gain/(loss) on:										
convertible bonds . . .	(5,208)	3.1	(113,655)	(1,375.1)	-	-	-	-	-	-
other financial										
instruments . . . . .	26,070	(15.6)	37,889	458.4	(75,440)	(189.0)	2,200	(7.9)	(8,556)	14.4
digital assets . . . . .	(159,505)	95.3	82,974	1,003.9	16,158	40.5	(38,229)	137.6	(35,694)	60.0
Impairment loss on										
intangible assets and										
others . . . . .	(369)	0.2	(21,072)	(255.0)	-	-	-	-	-	-
Net (charge)/recovery										
of ECL for trade										
receivable . . . . .	(59,057)	35.3	-	-	55,759	139.7	-	-	68	(0.1)
Interest income										
calculated using the										
effective interest										
method:										
interest income from										
banks and others . . .	7,736	(4.6)	6,481	78.4	6,536	16.4	3,539	(12.7)	4,466	(7.5)
Foreign exchange										
gain/(loss), net . . . .	25,055	(15.0)	7,079	85.7	14,273	35.8	3,328	(12.0)	(27,262)	45.8
Recovery from										
impaired account										
receivables . . . . .	-	-	-	-	15,324	38.4	-	-	-	-
Others . . . . .	(2,141)	1.3	8,569	103.7	7,298	18.3	1,389	(5.0)	7,510	(12.6)
<b>Total . . . . .</b>	<b>(167,419)</b>	<b>100.0</b>	<b>8,265</b>	<b>100.0</b>	<b>39,908</b>	<b>100.0</b>	<b>(27,773)</b>	<b>100.0</b>	<b>(59,468)</b>	<b>100.0</b>

In the six months ended June 30, 2025, we recorded foreign exchange loss of HK\$27.3 million, primarily attributable to the appreciation of both the RMB and USD against the HKD, which impacted RMB-denominated amounts due to related parties and USD-denominated redemption liabilities.

## FINANCIAL INFORMATION

### Research and Development Expenses

Our research and development expenses consist of (i) IT expenses related to software, hardware, cloud services and technical infrastructure, (ii) staff costs for research and development personnel, including share-based payments (“SBP”), and (iii) others, including depreciation expense and cost for conference.

The following table sets forth the breakdown of our research and development expenses, in absolute amounts and as a percentage of our total research and development expenses, for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	HK\$	%	HK\$	%	HK\$	%	HK\$	%	HK\$	%
	<i>(unaudited)</i>									
	<i>(in thousands, except for percentages)</i>									
IT expenses . . . . .	215,264	87.1	258,177	79.7	374,882	67.3	142,268	55.1	170,096	75.5
Staff costs . . . . .	23,662	9.6	53,266	16.4	170,056	30.5	111,834	43.3	47,605	21.1
Others . . . . .	8,259	3.3	12,622	3.9	11,723	2.1	4,295	1.7	7,531	3.3
<b>Total . . . . .</b>	<b><u>247,185</u></b>	<b><u>100.0</u></b>	<b><u>324,065</u></b>	<b><u>100.0</u></b>	<b><u>556,661</u></b>	<b><u>100.0</u></b>	<b><u>258,397</u></b>	<b><u>100.0</u></b>	<b><u>225,232</u></b>	<b><u>100.0</u></b>

During the Track Record Period, IT expenses represented a majority of our research and development expenses during the Track Record Period. As a percentage of our total revenue, our research and development expenses were 191.5%, 156.0%, 77.2%, 67.3% and 79.3% in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively, reflecting our economies of scale and improvements in operational efficiency, coupled with the fluctuations of revenue. Further information about the movement of our research and development expenses during the Track Record Period is set forth in “— Period-to-Period Comparison of Results of Operations.”

### Sales and Marketing Expenses

Our sales and marketing expenses consist of (i) staff costs for sales and marketing personnel, including SBP, (ii) advertisement and promotion costs related to online and offline marketing campaigns, (iii) events and conference expenses and (iv) other miscellaneous and marketing expenses.

## FINANCIAL INFORMATION

The following table sets forth a breakdown of our sales and marketing expenses, in absolute amounts and as a percentage of our total sales and marketing expenses, for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%
	<i>(unaudited)</i>									
	<i>(in thousands, except for percentages)</i>									
Staff costs . . . . .	52,639	66.3	97,382	66.4	256,852	65.8	145,469	76.4	109,245	60.2
Advertisement and promotion costs . . . . .	16,337	20.6	10,363	7.1	73,824	18.9	9,940	5.2	42,288	23.3
Events and conference . . . . .	2,457	3.1	16,689	11.4	23,747	6.1	15,669	8.2	20,327	11.2
Others . . . . .	7,958	10.0	22,301	15.2	35,676	9.1	19,367	10.2	9,538	5.3
<b>Total . . . . .</b>	<b>79,391</b>	<b>100.0</b>	<b>146,735</b>	<b>100.0</b>	<b>390,099</b>	<b>100.0</b>	<b>190,445</b>	<b>100.0</b>	<b>181,398</b>	<b>100.0</b>

During the Track Record Period, our staff costs represented a vast majority of our total sales and marketing expenses during the Track Record Period. As a percentage of our total revenue, our sales and marketing expenses were 61.5%, 70.6%, 54.1%, 49.6% and 63.9% in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively. These fluctuations were primarily due to the economies of scale and enhanced operational efficiency, coupled with the fluctuations of revenue. Further information about the movement of our sales and marketing expenses during the Track Record Period is set forth in “— Period-to-Period Comparison of Results of Operations.”

### General and Administrative Expenses

Our general and administrative expenses consist of (i) staff costs for general and administrative personnel, including SBP, (ii) office expenses, (iii) professional fees, and (iv) other miscellaneous general and administrative expenses.

## FINANCIAL INFORMATION

The following table sets forth a breakdown of our general and administrative expenses, in absolute amounts and as a percentage of our total general and administrative expenses, for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%
	<i>(unaudited)</i>									
	<i>(in thousands, except for percentages)</i>									
Staff costs . . . . .	106,675	58.8	170,995	66.0	542,255	85.7	433,692	91.9	67,556	55.9
Office expenses . . . . .	26,641	14.7	27,554	10.6	26,617	4.2	13,617	2.9	13,611	11.3
Professional fees . . . . .	32,148	17.7	45,632	17.6	48,575	7.7	19,515	4.1	25,687	21.3
Others . . . . .	15,850	8.7	14,817	5.7	15,513	2.5	5,189	1.1	13,943	11.5
<b>Total . . . . .</b>	<b><u>181,314</u></b>	<b><u>100.0</u></b>	<b><u>258,998</u></b>	<b><u>100.0</u></b>	<b><u>632,960</u></b>	<b><u>100.0</u></b>	<b><u>472,013</u></b>	<b><u>100.0</u></b>	<b><u>120,797</u></b>	<b><u>100.0</u></b>

During the Track Record Period, our staff costs represented a significant portion of our total general and administrative expenses. As a percentage of our total revenue, our general and administrative expenses were 140.5%, 124.6%, 87.8%, 122.9% and 42.5% in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively, primarily due to growing economies of scale, and ongoing improvements in operational efficiency. Further information about the movement of our administrative expenses during the Track Record Period is set forth in “— Period-to-Period Comparison of Results of Operations.”

During the Track Record Period, our total staff costs (excluding share-based payments) represented from 36% to 45% of our total operating costs (excluding share-based payments).

## FINANCIAL INFORMATION

### Finance Costs

Our finance costs consist of interest expense arising from (i) preferred shares, (ii) amounts due to related parties, (iii) lease liabilities, and (iv) others. The following table sets forth the breakdown of our finance costs, in absolute amounts and as a percentage of our total finance costs, for the years/periods indicated.

	Year ended December 31,						Six months ended June 30,			
	2022		2023		2024		2024		2025	
	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%	<i>HK\$</i>	%
	<i>(unaudited)</i>									
	<i>(in thousands, except for percentages)</i>									
Interest expense arising from										
preferred shares . . . . .	7,508	34.8	14,725	40.6	86,732	51.2	35,707	39.4	58,502	66.5
amounts due to related										
parties . . . . .	5,673	26.3	15,609	43.0	78,800	46.6	52,217	57.7	27,112	30.8
lease liabilities . . . . .	3,886	18.0	3,423	9.4	2,786	1.6	1,430	1.6	1,057	1.2
others . . . . .	<u>4,505</u>	<u>20.9</u>	<u>2,513</u>	<u>6.9</u>	<u>960</u>	<u>0.6</u>	<u>1,159</u>	<u>1.3</u>	<u>1,322</u>	<u>1.5</u>
<b>Total . . . . .</b>	<b><u>21,572</u></b>	<b><u>100.0</u></b>	<b><u>36,270</u></b>	<b><u>100.0</u></b>	<b><u>169,278</u></b>	<b><u>100.0</u></b>	<b><u>90,513</u></b>	<b><u>100.0</u></b>	<b><u>87,993</u></b>	<b><u>100.0</u></b>

### Share of Net Loss from an Associate

Our share of net loss from an associate represents the recognition, under the equity method of accounting, of our proportionate share of the associate's net results after tax, based on our equity interest in such entity. We recorded share of net loss from an associate of HK\$12.6 million, HK\$13.5 million, HK\$6.9 million, HK\$8.9 million and HK\$14.3 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively, primarily due to the weak financial results of the associate.

### Income Tax Expenses

Income tax expenses refer to the aggregate amount of taxes incurred in a given period, calculated in accordance with applicable tax laws and regulations. It consists of current income tax, the tax payable on taxable profits for the current period, and deferred income tax, which arises from temporary differences between the accounting and tax treatment of certain items, recognized in accordance with applicable accounting standards.

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Pursuant to the rules and regulations of the Cayman Islands, we are not subject to income tax in this jurisdiction. Our income tax expenses mainly arise from Hong Kong and other jurisdictions where we operate. The provision for Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits, if any, except for one subsidiary which is a qualifying corporation under the two-tiered Profits Tax rates regime. Under the regime, the first HK\$2 million of this subsidiary's assessment profits is taxed to 8.25% and the remaining assessable profits are taxed at 16.5%.

We recorded income tax expenses of HK\$1.2 million, HK\$4.0 million, HK\$6.1 million, HK\$2.9 million, and HK\$2.0 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.

During the Track Record Period and as of the Latest Practicable Date, we did not have any disputes or unresolved tax issues with the relevant tax authorities.

### **Loss for the Year/Period**

As a result of the foregoing, we recorded loss for the year/period of HK\$585.2 million, HK\$580.0 million, HK\$1,189.6 million, HK\$772.6 million and HK\$506.7 million in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.

## **PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS**

### **Six Months Ended June 30, 2025 Compared with Six Months Ended June 30, 2024**

#### ***Revenue***

Our revenue decreased from HK\$384.2 million in the six months ended June 30, 2024 to HK\$284.0 million during the same period in 2025, primarily due to the decrease in revenue from our transaction facilitation services and on-chain services.

***Transaction facilitation services.*** Revenue from transaction facilitation services decreased by 29.0% from HK\$272.1 million in the six months ended June 30, 2024 to HK\$193.2 million during the same period in 2025, primarily attributable to (i) the decrease in revenue generated from trading of digital assets from HK\$86.7 million in the six months ended June 30, 2024 to HK\$21.3 million during the same period in 2025, (ii) a decrease in service fee income from HK\$37.7 million in the six months ended June 30, 2024 to HK\$11.3 million in the six months ended June 30, 2025, and (iii) a decrease in commission fee income from HK\$126.1 million in the six months ended June 30, 2024 to HK\$108.0 million in the six months ended June 30, 2025, all of which were primarily due to market downturn in the first half of 2025. The trend was also reflected in the decline in our trading volume, which decreased from HK\$347.6 billion in the six months ended June 30, 2024 to HK\$214.1 billion in the six months ended June 30, 2025. The interest income from client trust accounts increased from HK\$4.7 million for the six months ended June 30, 2024 to HK\$15.9 million for the six months ended June 30, 2025, primarily attributable to our increased fiat assets and higher interest rate

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from banks. The listing fee income increased from HK\$1.7 million for the six months ended June 30, 2024 to HK\$43.6 million for the six months ended June 30, 2025, primarily attributable to the increased number of listing projects on our exchange platforms in Hong Kong and Bermuda.

***On-chain services.*** Revenue from on-chain services decreased by 28.8% from HK\$74.4 million in the six months ended June 30, 2024 to HK\$53.0 million during the same period in 2025, primarily attributable to a decline in revenue from Web3 events fee income from HK\$35.1 million in the six months ended June 30, 2024 to HK\$23.7 million during the same period in 2025, aligning with our temporary strategic adjustment of event resources, as well as a decline in staking income from HK\$39.3 million in the six months ended June 30, 2024 to HK\$27.5 million during the same period in 2025, mainly due to lower digital asset prices.

***Asset management services.*** Revenue from asset management services remained relatively stable at HK\$37.7 million and HK\$37.8 million in the six months ended June 30, 2024 and 2025, respectively.

### ***Cost of Revenue***

Our cost of revenue decreased by 6.0% from HK\$105.8 million in the six months ended June 30, 2024 to HK\$99.5 million during the same period in 2025, primarily resulting from the downturn in digital asset markets.

### ***Gross Profit and Gross Profit Margin***

As a result of the foregoing, our gross profit decreased by 33.7% from HK\$278.4 million in the six months ended June 30, 2024 to HK\$184.5 million during the same period in 2025.

Our gross profit margin decreased from 72.5% in the six months ended June 30, 2024 to 65.0% during the same period in 2025, primarily attributable to the decline in the gross profit margin of our transaction facilitation services.

***Transaction facilitation services.*** The gross profit margin for transaction facilitation services decreased from 62.3% in the six months ended June 30, 2024 to 50.1% during the same period in 2025, mainly attributable to our increased liquidity costs incurred to maintain the exchange order book during the downward trend of the digital asset market.

***On-chain services.*** The gross profit margin for on-chain services remained relatively stable at 95.8% and 94.3% in the six months ended June 30, 2024 and 2025, respectively.

***Asset management services.*** The gross profit margin for asset management services remained relatively stable at 100.0% and 99.8% for the six months ended June 30, 2024 and 2025, respectively.

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## FINANCIAL INFORMATION

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### *Other Loss*

Our other loss increased by 114.1% from HK\$27.8 million in the six months ended June 30, 2024 to HK\$59.5 million during the same period in 2025, primarily attributable to the significant decrease in foreign exchange gain from HK\$3.3 million in the six months ended June 30, 2024 to HK\$(27.3) million during the same period in 2025, mainly due to fluctuations in exchange rates arising from changes in global market conditions.

### *Research and Development Expenses*

Our research and development expenses decreased by 12.8% from HK\$258.4 million in the six months ended June 30, 2024 to HK\$225.2 million during the same period in 2025, primarily attributable to the decline in staff costs from HK\$111.8 million in the six months ended June 30, 2024 to HK\$47.6 million during the same period in 2025, resulting from our decreased share-based payments from HK\$76.6 million for the six months ended June 30, 2024 to HK\$(0.5) million for the six months ended June 30, 2025 as we implemented an employee incentive plan in 2024, partially offset by an increase in IT expenses from HK\$142.3 million in the six months ended June 30, 2024 to HK\$170.1 million in the six months ended June 30, 2025.

### *Sales and Marketing Expenses*

Our sales and marketing expenses decreased by 4.8% from HK\$190.4 million in the six months ended June 30, 2024 to HK\$181.4 million during the same period in 2025, primarily attributable to the decline in staff costs from HK\$145.5 million in the six months ended June 30, 2024 to HK\$109.2 million during the same period in 2025, resulting from our decreased share-based payments from HK\$56.4 million for the six months ended June 30, 2024 to HK\$1.4 million for the six months ended June 30, 2025 as we implemented an employee incentive plan in 2024, partially offset by an increase in advertisement and promotion costs from HK\$9.9 million in the six months ended June 30, 2024 to HK\$42.3 million during the same period in 2025, due to our enhanced efforts in marketing campaigns to raise brand awareness.

### *General and Administrative Expenses*

Our general and administrative expenses decreased by 74.4% from HK\$472.0 million in the six months ended June 30, 2024 to HK\$120.8 million during the same period in 2025, primarily attributable to the decline in staff costs from HK\$433.7 million in the six months ended June 30, 2024 to HK\$67.6 million during the same period in 2025, resulting from our decreased share-based payments from HK\$367.2 million for the six months ended June 30, 2024 to HK\$1.6 million for the six months ended June 30, 2025 as we implemented an employee incentive plan in 2024.

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## FINANCIAL INFORMATION

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### *Finance Costs*

Our finance costs remained relatively stable at HK\$90.5 million and HK\$88.0 million in the six months ended June 30, 2024 and 2025.

### *Share of Net Loss from an Associate*

Our share of net loss from an associate increased by 59.8% from HK\$8.9 million in the six months ended June 30, 2024 to HK\$14.3 million during the same period in 2025, driven by our increased shareholding to RD International Holdings Limited from the end of 2024, with the holding nearly doubling in the first half of 2025.

### *Loss for the Period*

As a result of the foregoing, our loss for the period significantly decreased by 34.4% from HK\$772.6 million in the six months ended June 30, 2024 to HK\$506.7 million during the same period in 2025.

## **Year Ended December 31, 2024 Compared with Year Ended December 31, 2023**

### *Revenue*

Our revenue significantly increased from HK\$207.8 million in 2023 to HK\$720.7 million in 2024, mainly due to the commencement of our exchange platforms in Hong Kong and Bermuda, which were launched in the third quarter 2023 and second quarter of 2024, respectively.

**Transaction facilitation services.** Revenue from transaction facilitation services significantly increased by 926.3% from HK\$50.4 million in 2023 to HK\$517.8 million in 2024, primarily attributable to the market expansion and increased trading volumes. The growth of our transaction facilitation services was also reflected by the continued increases in trading volume from HK\$328.0 billion in 2023 to HK\$638.4 billion in 2024, and assets on platforms from HK\$0.9 billion as of December 31, 2023 to HK\$11.4 billion as of December 31, 2024. The upward trend was also evidenced by the number of funded users, which rose from 3,753 in 2023 to 120,743 in 2024. The service fee income increased from HK\$0.5 million in 2023 to HK\$82.8 million in 2024, primarily attributable to the launch of a one-off, promotional membership program on our exchange platform in Hong Kong.

**On-chain services.** Revenue from on-chain services increased by 59.1% from HK\$78.5 million in 2023 to HK\$124.8 million in 2024, which was primarily attributable to the significant increase in revenue generated from our staking services, driven by broader adoption of our staking services, as well as the increase in revenue generated from the Web3 events fee income driven by our enhanced promotion efforts. The growth of our staking services was also reflected by the increase in average assets under staking from HK\$11.3 billion in 2023 to HK\$25.7 billion in 2024.

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## FINANCIAL INFORMATION

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**Asset management services.** Revenue from asset management services remained relatively stable at HK\$78.9 million and HK\$78.2 million in 2023 and 2024, respectively.

### **Cost of Revenue**

Our cost of revenue increased significantly by 1,414.1% from HK\$12.4 million in 2023 to HK\$188.2 million in 2024, primarily attributable to the commencement of our exchange platforms in Hong Kong and Bermuda.

### **Gross Profit and Gross Profit Margin**

As a result of the foregoing, our gross profit increased by 172.6% from HK\$195.4 million in 2023 to HK\$532.5 million in 2024.

Our gross profit margin decreased from 94.0% in 2023 to 73.9% in 2024, primarily attributable to the increased revenue contribution from transaction facilitation services.

**Transaction facilitation services.** The gross profit margin for transaction facilitation services decreased from 83.6% in 2023 to 65.4% in 2024, primarily attributable to the commencement of our exchange platforms in Hong Kong and Bermuda. To expand market reach and enhance platform liquidity, our liquidity costs increased leading to a decline of gross profit margin in 2024.

**On-chain services.** The gross profit margin for on-chain services remained relatively stable at 94.7% and 92.9% in 2023 and 2024, respectively.

**Asset management services.** The gross profit margin for asset management services remained relatively stable at 100.0% and 99.7% in 2023 and 2024, respectively.

### **Other Gains, Net**

Our other gains, net increased by 382.9% from HK\$8.3 million in 2023 to HK\$39.9 million in 2024, primarily attributable to the significant increase in net recovery of ECL for trade receivables from nil in 2023 to HK\$55.8 million in 2024, mainly attributable to the improvement of digital asset market conditions and our enhanced recollection efforts.

### **Research and Development Expenses**

Our research and development expenses increased by 71.8% from HK\$324.1 million in 2023 to HK\$556.7 million in 2024, primarily attributable to (i) an increase in staff costs from HK\$53.3 million in 2023 to HK\$170.1 million in 2024, driven by an increase in share-based payments from HK\$10.4 million in 2023 to HK\$92.8 million in 2024 as we implemented an employee incentive plan in 2024, and (ii) an increase in IT expenses from HK\$258.2 million in 2023 to HK\$374.9 million in 2024, primarily due to our increased investment to cloud and exchange infrastructure.

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## FINANCIAL INFORMATION

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### *Sales and Marketing Expenses*

Our sales and marketing expenses increased by 165.9% from HK\$146.7 million in 2023 to HK\$390.1 million in 2024, primarily attributable to (i) an increase in staff costs from HK\$97.4 million in 2023 to HK\$256.9 million in 2024, driven by an increase in share-based payments from nil in 2023 to HK\$69.5 million in 2024 as we implemented an employee incentive plan in 2024, and (ii) an increase in advertisement and promotion costs from HK\$10.4 million in 2023 to HK\$73.8 million in 2024, driven by increased marketing and branding activities following the commencement of our Hong Kong exchange operations in the third quarter of 2023 and the subsequent expansion of our exchange platforms.

### *General and Administrative Expenses*

Our general and administrative expenses increased by 144.4% from HK\$259.0 million in 2023 to HK\$633.0 million in 2024, primarily attributable to an increase in staff costs from HK\$171.0 million in 2023 to HK\$542.3 million in 2024, mainly due to an increase in share-based payments from nil in 2023 to HK\$403.9 million in 2024 as we implemented an employee incentive plan in 2024.

### *Finance Costs*

Our finance costs significantly increased by 366.7% from HK\$36.3 million in 2023 to HK\$169.3 million in 2024, primarily due to (i) an increase in interest expense arising from preferred shares from HK\$14.7 million in 2023 to HK\$86.7 million in 2024, and (ii) an increase in interest expense arising from amounts due to related parties from HK\$15.6 million in 2023 to HK\$78.8 million in 2024, both of which were in line with the capital requirements of our business operations.

### *Share of Net Loss from An Associate*

Our share of net loss from an associate decreased by 49.0% from HK\$13.5 million in 2023 to HK\$6.9 million in 2024, driven by improved financial performance of the associate.

### *Loss for the Year*

As a result of the foregoing, we recorded loss for the year of HK\$580.0 million and HK\$1,189.6 million in 2023 and 2024, respectively.

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### Year Ended December 31, 2023 Compared with Year Ended December 31, 2022

#### *Revenue*

Our revenue significantly increased from HK\$129.1 million in 2022 to HK\$207.8 million in 2023, primarily attributed to the transition of our transaction facilitation services from a loss to profitability.

**Transaction facilitation services.** Revenue from transaction facilitation services significantly increased from HK\$(14.9) million in 2022 to HK\$50.4 million in 2023, primarily attributable to the fair value gain on digital assets of HK\$38.2 million we recorded in 2023, compared with the fair value loss of HK\$20.3 million in 2022, mainly due to the fluctuations of overall digital asset prices.

**On-chain services.** Revenue from on-chain services increased by 9.3% from HK\$71.8 million in 2022 to HK\$78.5 million in 2023.

**Asset management services.** Revenue from asset management services remained relatively stable at HK\$72.2 million and HK\$78.9 million in 2022 and 2023, respectively.

#### *Cost of Revenue*

Our cost of revenue increased by 248.1% from HK\$3.6 million in 2022 to HK\$12.4 million in 2023, primarily attributable to the increase in liquidity costs following the commencement of our exchange operations in Hong Kong in 2023.

#### *Gross Profit and Gross Profit Margin*

As a result of the foregoing, our gross profit increased by 55.7% from HK\$125.5 million in 2022 to HK\$195.4 million in 2023.

Our gross profit margin remained relatively stable at 97.2% and 94.0% in 2022 and 2023, respectively.

**Transaction facilitation services.** The gross profit for transaction facilitation services increased from HK\$(16.8) million in 2022 to HK\$42.2 million in 2023, primarily attributable to fair value changes of digital assets.

**On-chain services.** The gross profit margin for on-chain services remained stable at 97.6% and 94.7% in 2022 and 2023, respectively.

**Asset management services.** The gross profit margin for asset management services remained stable both at 100.0% in 2022 and 2023.

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## FINANCIAL INFORMATION

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### *Other (Loss)/Gains, Net*

We recorded other loss, net of HK\$167.4 million in 2022 and other gains, net of HK\$8.3 million in 2023, respectively, primarily attributable to (i) an increase in net fair value loss on digital assets from HK\$159.5 million in 2022 to net fair value gain on digital assets of HK\$83.0 million in 2023, mainly driven by fluctuations in digital asset prices, (ii) an decrease in net charge of ECL for trade receivables from HK\$(59.1) million in 2022 to nil in 2023.

### *Research and Development Expenses*

Our research and development expenses increased by 31.1% from HK\$247.2 million in 2022 to HK\$324.1 million in 2023, primarily attributable to (i) an increase in staff costs from HK\$23.7 million in 2022 to HK\$53.3 million in 2023, resulted from our expanded team size driven by our business expansion, particularly by the launch of our exchange platform, and (ii) an increase in IT expenses from HK\$215.3 million in 2022 to HK\$258.2 million in 2023, attributable to higher technology expenditures to support the scaling of our exchange platforms and ensure system stability and security.

### *Sales and Marketing Expenses*

Our sales and marketing expenses increased by 84.8% from HK\$79.4 million in 2022 to HK\$146.7 million in 2023, primarily attributable to an increase in staff costs from HK\$52.6 million in 2022 to HK\$97.4 million in 2023, resulted from the expansion of our team reflects our broader business growth, driven in particular by the successful launch and full-scale operation of our exchange platform.

### *General and Administrative Expenses*

Our general and administrative expenses increased by 42.8% from HK\$181.3 million in 2022 to HK\$259.0 million in 2023, primarily attributable to the increase in staff costs from HK\$106.7 million in 2022 to HK\$171.0 million in 2023, resulted from our expanded team size to accommodate our business expansion, particularly the launch of our exchange platform.

### *Finance Costs*

Our finance costs significantly increased by 68.1% from HK\$21.6 million in 2022 to HK\$36.3 million in 2023, primarily due to (i) an increase in interest expenses arising from amounts due to related parties from HK\$5.7 million in 2022 to HK\$15.6 million in 2023, and (ii) an increase in interest expenses arising from preferred shares from HK\$7.5 million in 2022 to HK\$14.7 million in 2023, both of which were in line with the capital requirements of our business operations.

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### *Share of Net Loss from an Associate*

Our share of net loss from an associate increased by 7.3% from HK\$12.6 million in 2022 to HK\$13.5 million in 2023, primarily due to increased operational costs made by the associate in expanding its business and scaling operations.

### *Loss for the Year*

As a result of the foregoing, our loss for the year remained relatively stable at HK\$585.2 million and HK\$580.0 million in 2022 and 2023, respectively.

## DISCUSSION OF CERTAIN KEY ITEMS FROM OUR CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from our historical financial information included in Appendix I to this Prospectus.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
Total non-current assets . . . . .	599,582	603,180	657,269	617,363
Total current assets . . . . .	478,568	936,096	956,547	989,996
<b>Total assets . . . . .</b>	<b>1,078,150</b>	<b>1,539,276</b>	<b>1,613,816</b>	<b>1,607,359</b>
Total non-current liabilities . .	394,636	343,966	339,843	322,070
Total current liabilities . . . . .	676,891	1,725,702	2,326,431	2,867,116
<b>Total liabilities . . . . .</b>	<b>1,071,527</b>	<b>2,069,668</b>	<b>2,666,274</b>	<b>3,189,186</b>
<b>Net assets/(liabilities) . . . . .</b>	<b>6,623</b>	<b>(530,392)</b>	<b>(1,052,458)</b>	<b>(1,581,827)</b>

## FINANCIAL INFORMATION

### Current Assets and Liabilities

The following table sets forth our current assets and current liabilities as of the dates indicated.

	As of December 31,			As of June 30,	As of October 31,
	2022	2023	2024	2025	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>				
<b>Current assets</b>					
Trade receivables . . . . .	–	6,850	28,056	27,051	60,755
Digital assets					
receivables . . . . .	4,179	1,875	2,375	1,272	2,246
Prepayments, deposits					
and other					
receivables . . . . .	38,243	52,428	45,347	58,067	63,126
Amounts due from					
related parties . . . . .	14,923	25,318	24,947	32,272	33,375
Financial assets at					
FVTPL . . . . .	–	–	28,743	20,216	33,701
Intangible assets –					
digital assets . . . . .	118,650	166,377	229,890	155,679	215,336
Inventory – digital					
assets . . . . .	–	–	44,382	49,247	134,168
Digital assets at					
FVTPL . . . . .	60,150	300,869	246,011	249,604	217,430
Derivative . . . . .	–	37,889	–	–	–
Cash and cash					
equivalents . . . . .	242,423	344,490	306,796	396,588	1,479,557
<b>Total current assets . . . . .</b>	<b><u>478,568</u></b>	<b><u>936,096</u></b>	<b><u>956,547</u></b>	<b><u>989,996</u></b>	<b><u>2,239,694</u></b>
<b>Current liabilities</b>					
Trade payables . . . . .	50,539	45,010	10,128	6,158	16,069
Digital assets					
payables . . . . .	24,859	228,393	157,849	169,259	112,418
Accruals and other					
payables . . . . .	87,459	167,658	340,681	309,271	275,226
Amounts due to					
related parties . . . . .	347,174	240,446	432,116	430,218	95,490
Contract liabilities . . . . .	–	–	63,499	188,917	313,356
Lease liabilities . . . . .	15,675	15,206	16,947	15,453	14,166
Tax payables . . . . .	10,942	14,926	20,718	22,764	23,975
Borrowings . . . . .	–	13,861	–	–	–
Redemption liabilities . . . . .	140,243	1,000,202	1,284,493	1,725,076	3,369,203
<b>Total current</b>					
<b>    liabilities . . . . .</b>	<b><u>676,891</u></b>	<b><u>1,725,702</u></b>	<b><u>2,326,431</u></b>	<b><u>2,867,116</u></b>	<b><u>4,219,903</u></b>
<b>Net current</b>					
<b>    liabilities . . . . .</b>	<b><u>(198,323)</u></b>	<b><u>(789,606)</u></b>	<b><u>(1,369,884)</u></b>	<b><u>(1,877,120)</u></b>	<b><u>(1,980,209)</u></b>

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## FINANCIAL INFORMATION

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Our net current liabilities increased from HK\$1,877.1 million as of June 30, 2025 to net current liabilities of HK\$1,980.2 million as of October 31, 2025, primarily due to the increase in current liabilities outweighed the increase in assets. Our current liabilities increased primarily attributable to (i) an increase in redemption liabilities from HK\$1,725.1 million as of June 30, 2025 to HK\$3,369.2 million as of October 31, 2025, and (ii) an increase in contract liabilities from HK\$188.9 million as of June 30, 2025 to HK\$313.4 million as of October 31, 2025, partially offset by a decrease in amounts due to related parties from HK\$430.2 million as of June 30, 2025 to HK\$95.5 million as of October 31, 2025. Our current assets increased primarily attributable to (i) an increase in cash and cash equivalents from HK\$396.6 million as of June 30, 2025 to HK\$1,480.0 million as of October 31, 2025, and (ii) an increase in inventory — digital assets from HK\$49.2 million as of June 30, 2025 to HK\$134.2 million as of October 31, 2025, partially offset by a decrease in digital assets at FVTPL from HK\$249.6 million as of June 30, 2025 to HK\$217.4 million as of October 31, 2025.

Our net current liabilities increased from HK\$1,369.9 million as of December 31, 2024 to HK\$1,877.1 million as of June 30, 2025, primarily due to the increase in current liabilities outweighed the increase in assets. Our current liabilities increased primarily attributable to (i) an increase in redemption liabilities from HK\$1,284.5 million as of December 31, 2024 to HK\$1,725.1 million as of June 30, 2025, and (ii) an increase in contract liabilities from HK\$63.5 million as of December 31, 2024 to HK\$188.9 million as of June 30, 2025, partially offset by a decrease in accruals and other payables from HK\$340.7 million as of December 31, 2024 to HK\$309.3 million as of June 30, 2025. Our current assets increased primarily attributable to (i) an increase in cash and cash equivalents from HK\$306.8 million as of December 31, 2024 to HK\$396.6 million as of June 30, 2025, and (ii) an increase in amounts due from related parties from HK\$24.9 million as of December 31, 2024 to HK\$32.3 million as of June 30, 2025, partially offset by a decrease in intangible assets — digital assets from HK\$229.9 million as of December 31, 2024 to HK\$155.7 million as of June 30, 2025.

Our net current liabilities increased from HK\$789.6 million as of December 31, 2023 to HK\$1,369.9 million as of December 31, 2024, primarily due to the increase in current liabilities outweighed the increase in current assets. Our current liabilities increased primarily attributable to (i) an increase in redemption liabilities from HK\$1,000.2 million as of December 31, 2023 to HK\$1,284.5 million as of December 31, 2024, (ii) an increase in accruals and other payables from HK\$167.7 million as of December 31, 2023 to HK\$340.7 million as of December 31, 2024, and (iii) an increase in amounts due to related parties from HK\$240.4 million as of December 31, 2023 to HK\$432.1 million as of December 31, 2024, partially offset by (i) a decrease in digital asset payables from HK\$228.4 million as of December 31, 2023 to HK\$157.8 million as of December 31, 2024, and (ii) a decrease in trade payables from HK\$45.0 million as of December 31, 2023 to HK\$10.1 million as of December 31, 2024. Our current assets increased primarily attributable to (i) an increase in intangible assets — digital assets from HK\$166.4 million as of December 31, 2023 to HK\$229.9 million as of December 31, 2024, and (ii) an increase in inventory — digital assets from nil as of December 31, 2023 to HK\$44.4 million as of December 31, 2024, partially offset by a decrease in digital assets at FVTPL from HK\$300.9 million as of December 31, 2023 to HK\$246.0 million as of December 31, 2024.

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Our net current liabilities increased from HK\$198.3 million as of December 31, 2022 to HK\$789.6 million as of December 31, 2023, primarily due to the increase in current liabilities outweighed the increase in current assets. The increase in current liabilities was primarily attributable to (i) an increase in redemption liabilities from HK\$140.2 million as of December 31, 2022 to HK\$1,000.2 million as of December 31, 2023, (ii) an increase in digital assets payables from HK\$24.9 million as of December 31, 2022 to HK\$228.4 million as of December 31, 2023, and (iii) an increase in accruals and other payables from HK\$87.5 million as of December 31, 2022 to HK\$167.7 million as of December 31, 2023, partially offset by a decrease in amounts due to related parties from HK\$347.2 million as of December 31, 2022 to HK\$240.4 million as of December 31, 2023. The increase in current assets was primarily attributable to (i) an increase in digital assets at FVTPL from HK\$60.2 million as of December 31, 2022 to HK\$300.9 million as of December 31, 2023, (ii) an increase in cash and cash equivalents from HK\$242.4 million as of December 31, 2022 to HK\$344.5 million as of December 31, 2023, and (iii) an increase in intangible assets — digital assets from HK\$118.7 million as of December 31, 2022 to HK\$166.4 million as of December 31, 2023, partially offset by a decrease in digital assets receivables from HK\$4.2 million as of December 31, 2022 to HK\$1.9 million as of December 31, 2023.

Upon the Listing, the redemption liabilities will be automatically converted into ordinary shares in accordance with the terms of the relevant agreements and will be re-designated from liabilities to equity, such that our net current liabilities position would turn into a net current assets position.

### Assets

#### *Property, Plant and Equipment*

Our property, plant and equipment consist of (i) leasehold improvement, (ii) furniture and fixtures, (iii) computer equipment, and (iv) right-of-use assets. The following table sets forth a breakdown of our property, plant and equipment as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
Leasehold improvement . . . . .	19,938	14,633	10,513	8,763
Furniture and fixtures . . . . .	3,743	2,233	1,553	1,172
Computer equipment . . . . .	15,819	17,756	16,678	14,673
Right-of-use assets . . . . .	71,294	54,334	43,088	31,447
<b>Total . . . . .</b>	<b><u>110,794</u></b>	<b><u>88,956</u></b>	<b><u>71,832</u></b>	<b><u>56,055</u></b>

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The carrying amount of our property, plant and equipment remained relatively stable over the Track Record Period at HK\$110.8 million, HK\$89.0 million, HK\$71.8 million and HK\$56.1 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively.

### *Intangible Assets — Others*

Our intangible assets — others consist primarily of trademark, domain name and computer software. As of December 31, 2022, 2023 and 2024, our intangible assets were HK\$3.2 million, HK\$11.1 million and HK\$86.0 million, respectively. From 2022 to 2024, the change of intangible assets was attributable to the acquisition of (i) the user-facing portal system supporting exchange services in 2023, and (ii) an underlying technology system dedicated to wallet management in 2024. As of June 30, 2025, our intangible assets decreased to HK\$78.3 million, mainly due to amortization of other intangible assets.

### *Interest in An Associate*

Our interest in an associate represents the investment in the holding company of RD InnoTech Limited, the latter of which is principally engaged in stablecoin development. Our interest in an associate increased from HK\$24.2 million as of December 31, 2022 to HK\$42.0 million as of December 31, 2023, further increased to HK\$97.1 million as of December 31, 2024, and subsequently decreased to HK\$82.8 million as of June 30, 2025, mainly due to the increase in our capital injection to the Associate.

### *Prepayments, Deposits and Other Receivables*

Prepayments, Deposits and Other Receivables, including current and non-current components, consist of (i) deposits including rental deposits for premises, (ii) prepayment, representing advances made by us relating to office property-related expenses, including insurance premiums and service fees, and (iii) other receivables that are primarily related to IT software that is subsequently capitalized as intangible assets, which are unsecured, interest-free and recoverable/utilized within 12 months.

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The following table sets forth the details of our prepayments, other receivables and other assets as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
<b>Current:</b>				
Prepayment . . . . .	7,909	23,796	28,569	39,101
Other receivables . . . . .	30,334	28,632	16,778	18,966
<b>Subtotal</b> . . . . .	<b><u>38,243</u></b>	<b><u>52,428</u></b>	<b><u>45,347</u></b>	<b><u>58,067</u></b>
<b>Non-current:</b>				
Deposits . . . . .	13,726	13,559	13,938	11,792
<b>Total</b> . . . . .	<b><u>51,969</u></b>	<b><u>65,987</u></b>	<b><u>59,285</u></b>	<b><u>69,859</u></b>

Our current prepayments, deposits and other receivables increased from HK\$38.2 million as of December 31, 2022 to HK\$52.4 million as of December 31, 2023. The increase was primarily due to the insurance premium we paid upfront for exchange assets under custody. Our current prepayments, deposits and other receivables decreased from HK\$52.4 million as of December 31, 2023 to HK\$45.3 million as of December 31, 2024. Our current prepayments, deposits and other receivables increased from HK\$45.3 million as of December 31, 2024 to HK\$58.1 million as of June 30, 2025, resulting from other office-related expenses.

Our non-current prepayments, deposits and other receivables remain relatively stable at HK\$13.7 million, HK\$13.6 million, HK\$13.9 million and HK\$11.8 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively.

### *Financial Assets at Fair Value Through Profit or Loss*

Our financial assets at fair value through profit or loss including current and non-current components, represent our investment in funds and a U.S. licensed digital asset company.

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The following table sets forth the details of our financial assets at fair value through profit or loss as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
<b>Current:</b>				
Exchange Listed Fund . . . . .	–	–	25,660	17,480
Unlisted fund investment . . . . .	–	–	3,083	2,736
<b>Subtotal</b> . . . . .	–	–	<b>28,743</b>	<b>20,216</b>
<b>Non-current:</b>				
Unlisted investment – common shares . . . . .	447,603	447,603	388,414	388,414
<b>Total</b> . . . . .	<b>447,603</b>	<b>447,603</b>	<b>417,157</b>	<b>408,630</b>

We recorded current financial assets at fair value through profit or loss of HK\$28.7 million and HK\$20.2 million as of December 31, 2024 and June 30, 2025, respectively, primarily as a result of the decrease in fair value of the exchange listed fund from HK\$25.7 million as of December 31, 2024 to HK\$17.5 million as of June 30, 2025, mainly due to the fluctuations of the fund price.

Our non-current financial assets at fair value through profit or loss remained the same both at HK\$447.6 million as of December 31, 2022 and 2023. Our non-current financial assets at fair value through profit or loss decreased from HK\$447.6 million as of December 31, 2023 to HK\$388.4 million as of December 31, 2024, attributed to the decrease of unlisted investment — common share from HK\$447.6 million as of December 31, 2023 to HK\$388.4 million as of December 31, 2024, mainly due to the fair value change driven by the portfolio’s subsequent financing activities. Our non-current financial assets at fair value through profit or loss remained the same both at HK\$388.4 million as of December 31, 2024 and June 30, 2025.

Our cash management strategy aims to ensure that we maintain sufficient financial resources to meet its short-term and long-term financial obligations under both normal and stressed market conditions, to mitigate the risk of being unable to meet payment obligations due to insufficient cash or liquid assets, and to optimize the use of surplus cash by investing it in a manner that prioritizes safety and liquidity while seeking to achieve an appropriate return. We adopt a prudent treasury policy aimed at safeguarding our cash resources, enhancing liquidity management and improving returns on idle funds without compromising capital security or our core business operations. In accordance with our internal cash management policy, we may from time to time invest surplus funds in exchange listed fund and unlisted investment — common shares.

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To ensure that investments are executed prudently and in line with our risk appetite, specific limits have been established. No more than 50% of the portfolio may be invested in any single instrument type in general, excluding government securities and bank deposits. These limits are designed to prevent over-concentration of risk and to ensure diversification across counterparties and instrument types. Our Chief Financial Officer (“CFO”) or treasurer is authorized to execute investments within these predefined parameters. However, any investments that fall outside of the specified criteria, including those with longer maturities, higher risk profiles, or larger allocations to a single counterparty or instrument, must be approved by the Board of Directors.

This cash management policy is reviewed annually by our finance and treasury team and must be approved by the Board of Directors. Any exceptions to the policy or changes to investment limits, borrowing parameters, or liquidity thresholds must be documented and approved by the CFO or, where material, by the Board of Directors. The policy is intended to provide a robust framework for managing our cash resources in a manner that protects financial stability, optimizes returns, and ensures compliance with regulatory and internal governance requirements. After the Global Offering, any future investments will be subject to the applicable requirements under Chapter 14 of the Listing Rules, where relevant, and we will comply with all applicable reporting, announcement and/or Shareholders’ approval obligations.

### *Trade Receivables*

Our trade receivables comprise mainly accounts receivables from our asset management business.

The following table sets forth a breakdown of our trade receivables as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
Trade receivables . . . . .	–	6,850	28,056	27,051
Accounts receivable . . . . .	55,472	55,472	–	–
Others . . . . .	3,585	3,585	3,298	3,230
Less: ECL allowances . . . . .	<u>(59,057)</u>	<u>(59,057)</u>	<u>(3,298)</u>	<u>(3,230)</u>
<b>Total</b> . . . . .	<u>–</u>	<u><b>6,850</b></u>	<u><b>28,056</b></u>	<u><b>27,051</b></u>

Our trade receivables increased from nil as of December 31, 2022 to HK\$6.9 million as of December 31, 2023, primarily driven by our revenue growth and business development activities during the year. Our trade receivables significantly increased from HK\$6.9 million as of December 31, 2023 to HK\$28.1 million as of December 31, 2024, primarily attributed to

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(i) the increase of the revenue generated from our asset management business, and (ii) the decrease of ECL allowances from HK\$59.1 million as of December 31, 2023 to HK\$3.3 million as of December 31, 2024, mainly due to settlement of certain ECL allowances as a result of the improvement of digital asset market conditions and our enhanced recollection efforts. Our trade receivables remained relatively stable at HK\$28.1 million and HK\$27.1 million as of December 31, 2024 and June 30, 2025, respectively.

As of December 31, 2022, 2023, 2024 and June 30, 2025, we recorded loss allowances for trade receivables of HK\$59.1 million, HK\$59.1 million, HK\$3.3 million and HK\$3.2 million, respectively. For further details on impairment provisions, refer to Note 17 of the Accountants' Report in Appendix I to this Prospectus.

The following table sets forth an aging analysis of our gross trade receivables, based on the invoice date, as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
Not yet due . . . . .	–	–	2,329	2,355
Within 30 days . . . . .	–	1,208	11,732	11,790
31 to 60 days . . . . .	–	365	6,209	6,483
61 to 90 days . . . . .	–	367	6,435	6,410
Over 90 days . . . . .	59,057	63,967	4,649	3,243
<b>Total . . . . .</b>	<b><u>59,057</u></b>	<b><u>65,907</u></b>	<b><u>31,354</u></b>	<b><u>30,281</u></b>

As of September 30, 2025, HK\$20.3 million, or 67.1% of our trade receivables outstanding as of June 30, 2025, had been subsequently settled.

### ***Digital Assets Receivables***

Our digital asset receivables primarily consist of receivables from on-chain services, which are unsecured, interest-free and are normally settled within 30 to 60 days from the service is provided. No digital assets were lent during the Track Record Period.

Our digital asset receivables decreased from HK\$4.2 million as of December 31, 2022 to HK\$1.9 million as of December 31, 2023, further increased to HK\$2.4 million as of December 31, 2024, and subsequently decreased to HK\$1.3 million as of June 30, 2025.

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### *Amounts Due from Related Parties*

Our amounts due from related parties comprise amounts due from (i) the ultimate holding company; (ii) director and sole shareholder of XChainX Limited; (iii) under common control of ultimate controlling party; and (iv) funds managed by a subsidiary. As of June 30, 2025, all balances were trade in nature.

The table below sets forth a breakdown of our amounts due from related parties as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
Amounts due from				
The ultimate holding				
company . . . . .	2,760	4,025	–	–
Director and sole				
shareholder of XChainX				
Limited. . . . .	3,022	3,039	–	–
Under common control of				
ultimate controlling				
party. . . . .	8,944	18,254	24,817	32,272
Funds managed by a				
subsidiary . . . . .	197	–	130	–
<b>Total . . . . .</b>	<b><u>14,923</u></b>	<b><u>25,318</u></b>	<b><u>24,947</u></b>	<b><u>32,272</u></b>

Our amounts due from related parties increased from HK\$14.9 million as of December 31, 2022 to HK\$25.3 million as of December 31, 2023, primarily due to the increase in amounts due from entities under common control of ultimate controlling party from HK\$8.9 million as of December 31, 2022 to HK\$18.3 million as of December 31, 2023, mainly driven by increase in expenses paid on behalf of related parties and management fee recharge. Our amounts due from related parties remain relatively stable from HK\$25.3 million as of December 31, 2023 to HK\$24.9 million as of December 31, 2024. Our amounts due from related parties further increased to HK\$32.3 million as of June 30, 2025, primarily attributable to an increase in amounts due from entities under common control of ultimate controlling party from HK\$24.8 million as of December 31, 2024 to HK\$32.3 million as of June 30, 2025, mainly driven by increase in expenses paid on behalf of related parties and management fee recharge.

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### *Intangible Assets — Digital Assets*

Digital assets held for staking with indefinite useful lives are classified as intangible assets.

The table below sets forth a breakdown of our intangible assets — digital assets as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
At January 1 . . . . .	395,139	118,650	166,377	229,890
Addition through				
purchase . . . . .	3,783	62,083	76,703	21,494
staking service and node validation service . . . . .	65,765	48,531	81,761	27,460
settlement of digital assets receivables . . . . .	183	2,303	187	407
<b>Subtotal</b> . . . . .	<b><u>69,731</u></b>	<b><u>112,917</u></b>	<b><u>158,651</u></b>	<b><u>49,361</u></b>
Less:				
disposal . . . . .	(46,254)	(134,722)	(148,524)	(46,482)
write-off during the year/period . . . . .	—	(20,435)	—	—
<b>Subtotal</b> . . . . .	<b><u>(46,254)</u></b>	<b><u>(155,157)</u></b>	<b><u>(148,524)</u></b>	<b><u>(46,482)</u></b>
Fair value adjustment . . . . .	(299,966)	89,967	53,386	(77,090)
<b>Total</b> . . . . .	<b><u>118,650</u></b>	<b><u>166,377</u></b>	<b><u>229,890</u></b>	<b><u>155,679</u></b>

As of December 31, 2022, 2023, 2024 and June 30, 2025, our intangible assets — digital assets amounted to HK\$118.7 million, HK\$166.4 million, HK\$229.9 million and HK\$155.7 million, respectively. During the Track Record Period, the fluctuation of intangible assets was mainly attributed to the fluctuations of the digital asset prices. The write-off recorded in 2023 was related to a one-off allocation of historical staking benefits granted to a major customer to maintain a positive business relationship. The write-off was determined through an arm's length negotiation with such major customer and reflected a commercial decision made in the ordinary course of business.

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### *Inventory — Digital Assets*

Our inventories — digital assets comprise digital assets measured at the lower of cost and net realizable value. Our inventories — digital assets remained relatively stable from HK\$44.4 million as of December 31, 2024 to HK\$49.2 million as of June 30, 2025.

### *Digital Assets at Fair Value Through Profit or Loss*

Our digital assets at fair value through profit or loss comprise of inventory measured at fair value less cost of sold and digital assets borrowed.

Our digital assets at fair value through profit or loss increase from HK\$60.2 million as of December 31, 2022 to HK\$300.9 million as of December 31, 2023, and decreased to HK\$246.0 million as of December 31, 2024, and subsequently increased to HK\$249.6 million as of June 30, 2025, primarily due to changes in the prices of digital assets.

### *Derivatives*

Our derivatives were HK\$37.9 million as of December 31, 2023, representing an option to invest in holding company of RD InnoTech Limited. The option was exercised in 2024, and approximately HK\$18.6 million was recognized as non-controlling interest during the acquisition.

### *Cash and Cash Equivalents*

We recorded cash and cash equivalents of HK\$242.4 million, HK\$344.5 million, HK\$306.8 million and HK\$396.6 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. Our cash and cash equivalents has also included cash resources satisfying minimum capital requirements. For more details, see “— Liquidity and Capital Resources — Cash Flow Analysis.”

### **Impairment Assessment**

#### *Impairment Assessment for Non-financial Assets*

Our management have taken into account both the external and the internal sources of information in performing the impairment assessments of the non-financial assets throughout the Track Record Period. Given our business is still in the early development stage and we are actively expanding our operations throughout the Track Record Period, our management have concluded that no impairment charge was required during the Track Record Period in accordance with IAS 36.

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### *Impairment Assessment for Investment in a Subsidiary*

Where our carrying amount invested in a subsidiary materially exceeds that subsidiary's net asset value, our management will consider whether there is any need for impairment. Management team has performed an impairment assessment of the investment in subsidiaries throughout the Track Record Period and have concluded that no impairment charge was required.

### *Credit Loss for Financial Assets Measured at Amortised Cost*

We did not record any expected credit losses for other financial assets at amortised cost except trade receivables. For more details, please see Note 17 to the Accountants' Report set out in Appendix I.

### **Liabilities**

#### *Trade Payables*

Our trade payables primarily represent payments relating to OTC services. Our trade payables decreased from HK\$50.5 million as of December 31, 2022 to HK\$45.0 million as of December 31, 2023, and subsequently decreased to HK\$10.1 million as of December 31, 2024, and further decreased to HK\$6.2 million as of June 30, 2025, primarily due to the withdrawal by our clients.

The following table sets forth the aging analysis of our trade payables based on the invoice date as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
Within 30 days . . . . .	50,539	45,010	10,128	6,158

As of September 30, 2025, HK\$6.2 million, or 100.0% of our trade payables outstanding as of June 30, 2025, had been subsequently settled.

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### *Digital Assets Payables*

	As of December 31,			As of June
	2022	2023	2024	30,
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Digital assets payables to clients . . . . .	16,565	105,428	9,397	20,744
Digital assets payables to related parties . . . . .	<u>8,294</u>	<u>122,965</u>	<u>166,875</u>	<u>151,220</u>
	<u>24,859</u>	<u>228,393</u>	<u>176,272</u>	<u>171,964</u>
Analysis by maturity				
– within 12 months . . . . .	24,859	228,393	157,849	169,259
– more than 12 months . . . . .	<u>–</u>	<u>–</u>	<u>18,423</u>	<u>2,705</u>
	<u>24,859</u>	<u>228,393</u>	<u>176,272</u>	<u>171,964</u>

The settlement terms of digital assets payables to clients are normally one to two days after trade date or at specific terms agreed with clients. As of December 31, 2022, 2023 and 2024 and June 30, 2025, all major digital assets payables to clients are expected to be settled within one year or are repayable on demand.

Digital assets due to the related parties represent digital assets borrowing. They were unsecured and interest-bearing. As of December 31, 2022, 2023 and 2024 and June 30, 2025, the balances were interest-bearing of 5.2% to 10%, 5.2% to 10%, 3% to 10% and 3% to 10% per annum, respectively on their crypto balance.

Our digital assets payables, including current and non-current portions, primarily represent the digital asset payables we should pay to our clients and related parties.

Our current digital assets payables increased from HK\$24.9 million as of December 31, 2022 to HK\$228.4 million as of December 31, 2023, subsequently decreased to HK\$157.8 million as of December 31, 2024, and then increased to HK\$169.3 million as of June 30, 2025, primarily due to the volatility in our trading volume during the Track Record Period. During the Track Record period, our trading volume is HK\$4.2 billion, HK\$328.0 billion, HK\$638.4 billion, HK\$347.6 billion, and HK\$214.1 billion in 2022, 2023, 2024 and the six months ended June 30, 2024 and 2025, respectively.

Our non-current digital assets payables decreased from HK\$18.4 million as of December 31, 2024 to HK\$2.7 million as of June 30, 2025, primarily due to a decrease in trading volume from HK\$347.6 billion in the six months ended June 30, 2024 to HK\$214.1 billion in the six months ended June 30, 2025.

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As of September 30, 2025, our digital assets borrowing arrangements were entered into with three funds managed by one of our subsidiaries. The outstanding balance amounted to HK\$72.6 million in aggregate. The arrangements comprised (i) a borrowing of USDT from HashKey Fintech III bearing an interest rate of 3.00% with an open term, (ii) a borrowing of BTC from HashKey Fintech II bearing an interest rate of 5.20% for the period from August 30, 2025 to August 29, 2026, and (iii) a borrowing of WLD from HashKey Fintech III bearing an interest rate of 10.00% for the period from November 17, 2024 to November 24, 2026. All of the above-mentioned arrangements will be settled prior to the Listing.

### *Accruals and Other Payables*

Our accruals and other payables include current and non-current portions, primarily representing staff cost related and office rental related accruals or payables.

Our current accruals and other payables increased from HK\$87.5 million as of December 31, 2022 to HK\$167.7 million as of December 31, 2023, further increased to HK\$340.7 million as of December 31, 2024 primarily due to the deferred payment of certain administration related expenses. Our current accruals and other payables subsequently decreased to HK\$309.3 million as of June 30, 2025, mainly due to the settlement of the above-mentioned administration related expenses.

Our non-current accruals and other payables remained relatively stable at HK\$4.4 million, HK\$4.6 million, HK\$5.3 million and HK\$5.5 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively.

The following table sets forth the aging analysis of our accruals and other payables based on the invoice date as of the dates indicated.

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
Within 12 months . . . . .	87,459	167,658	340,681	309,271
More than 12 months . . . . .	4,410	4,630	5,319	5,470
<b>Total</b> . . . . .	<b><u>91,869</u></b>	<b><u>172,288</u></b>	<b><u>346,000</u></b>	<b><u>314,741</u></b>

As of September 30, 2025, HK\$100.9 million, or 33.0% of our current portion of accruals and other payables outstanding as of June 30, 2025, had been subsequently settled.

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### *Amounts Due to Related Parties*

Our amounts due to related parties includes current and non-current portions, representing (i) amounts due to the ultimate holding company, (ii) amounts due to director and sole shareholder of the ultimate holding company, (iii) amounts due to related parties under common control of ultimate controlling party, and (iv) amounts due to funds managed by a subsidiary. Except for amount due to related parties as disclosed in Note 36 to the Accountants' Report set out in Appendix I, all amount due to related parties are in non-trade nature, and such amounts will be settled prior to the Listing.

Our current amounts due to related parties decreased from HK\$347.2 million as of December 31, 2022 to HK\$240.4 million as of December 31, 2023, and increased to HK\$432.1 million as of December 31, 2024, primarily attributed to the variation of amounts due to parties under common control of ultimate controlling party representing IT services payable rendered by related parties. Our current amounts due to related parties remained relatively stable at HK\$432.1 million and HK\$430.2 million as of December 31, 2024 and June 30, 2025, respectively.

Our non-current amounts due to related parties decreased from HK\$297.1 million as of December 31, 2023 to HK\$287.2 million as of December 31, 2024, primarily due to the variation of amounts due to funds managed by a subsidiary. Our non-current amount further increased to HK\$295.3 million as of June 30, 2025, primarily due to the unfavorable FX movement. As of October 31, 2025, all of our amounts due to related parties were trade in nature.

### *Contract Liabilities*

Our contract liabilities primarily represent the value of HSK distributed. HSK is a HashKey Chain gas token that can be used to pay for the computation and/or transaction fees on HashKey. We recognize the revenue when the HSK is utilized. Our contract liabilities increased from HK\$63.5 million as of December 31, 2024 to HK\$188.9 million as of June 30, 2025, primarily attributable to the increased HSK distributed, which is in line with increased rewards to business partners for their contribution to our business. All HSK distributed during the Track Record Period represented rewards to business partners, including liquidity providers, customers, vendors, key opinion leaders and our internal staff. The amount of HSK distributed to liquidity providers was determined based on the level of trading liquidity and transaction volume they contributed to our exchange platform. HSK distributed to customers was determined by factors such as successful onboarding, participation in trading and referral programs, and eligibility under our VIP reward arrangements. HSK distributed to vendors and key opinion leaders corresponded to the value of marketing, promotional, or other services provided. The fluctuations in the market price of HSK did not and are not expected to have any material impact on our contract liabilities or the subsequent recognition of the corresponding revenue, as such amounts are measured based on the fair value of HSK at the time of grant in accordance with our accounting policies.

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### *Lease Liabilities*

Our lease liabilities, including current and non-current portions, primarily relate to the properties we leased for office use, which generally have lease terms ranging from 3 to 6 years.

Our current lease liabilities remained relatively stable, at HK\$15.7 million, HK\$15.2 million, HK\$16.9 million, and HK\$15.5 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively.

We recorded non-current lease liabilities of HK\$57.0 million, HK\$42.2 million, HK\$28.9 million, and HK\$18.6 million as of December 31, 2022, 2023, 2024 and June 30, 2025, respectively. The decrease in our non-current lease liabilities reflects certain rental discount to our office in Hong Kong.

### *Borrowings*

Our borrowings were HK\$13.9 million as of December 31, 2023, representing the unsecured short-term loans we acquired, which has been fully repaid.

### *Redemption Liabilities*

Our redemption liabilities arose from the preferred shares issued. Redemption liabilities are associated with the redemption rights for certain pre-IPO shareholders. These redemption rights can be exercised upon the occurrence of specified events and the redemption liabilities will be automatically converted into the equity of our Company upon the completion of the Global Offering. For more information, see Note 30 to the Accountants' Report set out in Appendix I.

Our redemption liabilities increased from HK\$140.2 million as of December 31, 2022 to HK\$1,000.2 million as of December 31, 2023, further increased to HK\$1,284.5 million as of December 31, 2024, and subsequently increased to HK\$1,725.1 million as of June 30, 2025, primarily due to additional issuance of preferred shares and the interest expenses.

### *Convertible bonds*

Our convertible bonds issued to the ultimate holding company, our parent company, a fund managed by a subsidiary, and third parties amounted to HK\$333.2 million as of December 31, 2022, which were subsequently converted into preferred shares in 2023 as a result of a voluntary conversion initiated by us.

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### LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period, we relied on cash and cash equivalents, loans from related parties and external financing from preferred shares as the major sources of liquidity. We intend to finance our future capital requirements in a similar manner after the Global Offering. We do not anticipate any changes to the availability of financing to fund our operation in the future.

#### Cash Flow Analysis

The following table sets forth our cash flows for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,	
	2022	2023	2024	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
				<i>(unaudited)</i>	
	<i>(in thousands)</i>				
Net cash used in operating activities . . . . .	(143,467)	(273,717)	(183,313)	(124,384)	(266,340)
Net cash (used in)/generated from investing activities . . . . .	(7,244)	(40,608)	(9,510)	2,652	17,594
Net cash generated from financing activities . . . . .	<u>345,741</u>	<u>415,348</u>	<u>153,871</u>	<u>51,400</u>	<u>340,420</u>
<b>Net increase/ (decrease) in cash and cash equivalents . . . . .</b>	<b>195,030</b>	<b>101,023</b>	<b>(38,952)</b>	<b>(70,332)</b>	<b>91,674</b>
Cash and cash equivalents at the beginning of the year/period . . . . .	47,809	242,423	344,490	344,490	306,796
Effect of exchange rate changes on cash and cash equivalents . . . . .	<u>(416)</u>	<u>1,044</u>	<u>1,258</u>	<u>897</u>	<u>(1,882)</u>
<b>Cash and cash equivalents at the end of the year/period . . . . .</b>	<b><u>242,423</u></b>	<b><u>344,490</u></b>	<b><u>306,796</u></b>	<b><u>275,055</u></b>	<b><u>396,588</u></b>

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## FINANCIAL INFORMATION

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### *Net Cash Used in Operating Activities*

Our operating cash outflows during the Track Record Period primarily reflect the nature of our business development cycle and the substantial upfront investments required to establish a licensed, compliant and scalable digital asset platform.

Net cash used in operating activities in the six months ended June 30, 2025 was HK\$266.3 million, which primarily consists of loss before tax of HK\$504.7 million, adjusted for certain non-cash and non-operating items. Adjustments for such non-cash and non-operating items primarily include (i) expenses not settled in cash and cash equivalents of HK\$130.0 million, and (ii) finance costs of HK\$88.0 million, partially offset by revenue not settled in cash and cash equivalents of HK\$210.8 million. The amount was further adjusted by changes in working capital, primarily including (i) a decrease in digital assets of HK\$94.5 million, and (ii) an increase in accruals and other payables of HK\$63.4 million, partially offset by (i) a decrease in amounts due to related parties of HK\$10.4 million, and (ii) an increase in amounts due from related parties of HK\$11.6 million.

Net cash used in operating activities in 2024 was HK\$183.3 million, which primarily consists of loss before tax of HK\$1,183.5 million, adjusted for certain non-cash and non-operating items. Adjustments for such non-cash and non-operating items primarily include (i) equity-settled share-based payments expenses of HK\$566.2 million, (ii) expenses not settled in cash and cash equivalents of HK\$183.7 million, and (iii) finance costs of HK\$169.3 million, partially offset by revenue not settled in cash and cash equivalents of HK\$448.0 million. The amount was further adjusted by changes in working capital, primarily including (i) a decrease in digital assets of HK\$298.3 million, and (ii) an increase in accruals and other payables of HK\$174.3 million, partially offset by (i) a decrease in trade payables of HK\$34.9 million, and (ii) an increase in trade receivables of HK\$21.4 million.

Net cash used in operating activities in 2023 was HK\$273.7 million, which consists primarily of loss before tax of HK\$576.0 million, adjusted for certain non-cash and non-operating items. Adjustments for such non-cash and non-operating items primarily include (i) fair value gains on digital assets of HK\$121.2 million, and (ii) revenue not settled in cash and cash equivalents of HK\$48.5 million, partially offset by (i) fair value loss on financial instruments of HK\$75.8 million, and (ii) finance costs of HK\$36.3 million. The amount was further adjusted by changes in working capital, primarily including (i) an increase in accruals and other payables of HK\$80.4 million, and (ii) a decrease in intangible assets — digital assets of HK\$71.4 million.

Net cash used in operating activities in 2022 was HK\$143.5 million, which consists primarily of loss before tax of HK\$584.0 million, adjusted for certain non-cash and non-operating items. Adjustments for such non-cash and non-operating items primarily include (i) fair value loss on digital assets of HK\$179.8 million, and (ii) impairment of HK\$59.4 million, partially offset by (i) revenue not settled in cash and cash equivalents of HK\$65.8 million, and (ii) exchange difference of HK\$25.0 million. The amount was further adjusted by changes in working capital, primarily including (i) an increase in amounts due to related parties

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## FINANCIAL INFORMATION

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of HK\$89.3 million, (ii) a decrease in trade receivables of HK\$22.9 million, (iii) an increase in trade payables of HK\$47.4 million, partially offset by (i) a decrease in digital assets of HK\$43.3 million, and (ii) an increase in amounts due from related parties of HK\$9.4 million.

### *Net Cash (Used in)/Generated from Investing Activities*

Net cash generated from investing activities in the six months ended June 30, 2025 was HK\$17.6 million, which consists of interest received of HK\$20.4 million, partially offset by acquisition of intangible assets of HK\$(1.4) million.

Net cash used in investing activities in 2024 was HK\$9.5 million, which consists of (i) capital injection to an associate of HK\$21.6 million, (ii) acquisition of property, plant and equipment of HK\$5.6 million, partially offset by interest received of HK\$21.6 million.

Net cash used in investing activities in 2023 was HK\$40.6 million, which consists of (i) capital injection to an associate of HK\$31.2 million, (ii) acquisition of intangible assets of HK\$9.0 million, (iii) acquisition of property, plant and equipment of HK\$6.9 million, partially offset by interest received of HK\$6.6 million.

Net cash used in investing activities in 2022 was HK\$7.2 million, which consists of (i) acquisition of property, plant and equipment of HK\$7.0 million, (ii) acquisition of intangible assets of HK\$1.1 million, partially offset by interest received of HK\$0.8 million.

### *Net Cash Generated from Financing Activities*

Net cash generated from financing activities in the six months ended June 30, 2025 was HK\$340.4 million, which consists of proceeds from issuance of preferred shares of HK\$361.1 million, partially offset by (i) capital element of lease rentals paid of HK\$7.6 million, (ii) interest element of lease rentals paid of HK\$1.1 million, and (iii) net repayment of borrowings from related parties of HK\$12 million.

Net cash generated from financing activities in 2024 was HK\$153.9 million, which consists of (i) net proceeds from borrowings from related parties of HK\$102.6 million, and (ii) proceeds from issuance of preferred shares of HK\$71.1 million, partially offset by (i) capital element of lease rentals paid of HK\$17.1 million, and (ii) interest element of lease rentals paid of HK\$2.8 million.

Net cash generated from financing activities in 2023 was HK\$415.3 million, which consists of (i) proceeds from issuance of preferred shares of HK\$203.2 million, (ii) net proceeds from borrowings from related parties of HK\$217.8 million, and (iii) proceeds from borrowings of HK\$119.3 million, partially offset by (i) repayment for borrowings of HK\$106.0 million, (ii) capital element of lease rentals paid of HK\$15.6 million, and (iii) interest element of lease rentals paid of HK\$3.4 million.

## FINANCIAL INFORMATION

Net cash generated from financing activities in 2022 was HK\$345.7 million, which consists of (i) proceeds from issuance of convertible bonds of HK\$235.5 million, (ii) proceeds from issuance of preferred shares of HK\$117.1 million, and (iii) proceeds from borrowings from related parties of HK\$6.8 million, partially offset by (i) capital element of lease rentals paid of HK\$9.8 million, and (ii) interest element of lease rentals paid of HK\$3.9 million.

### INDEBTEDNESS

The following table sets forth our indebtedness as of the dates indicated.

	As of December 31,			As of June 30,	As of October 31,
	2022	2023	2024	2025	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
					<i>(unaudited)</i>
					<i>(in thousands)</i>
<b>Current</b>					
Borrowings . . . . .	–	13,861	–	–	–
Lease liabilities . . . . .	15,675	15,206	16,947	15,453	14,166
Amounts due to related parties . . . . .	6,844	225,484	328,040	331,684	7,771
Digital assets payables . . . . .	8,294	122,965	166,875	151,220	67,224
Redemption liabilities	140,243	1,000,202	1,284,493	1,725,076	3,365,439
<b>Non-current</b>					
Lease liabilities . . . . .	<u>57,034</u>	<u>42,214</u>	<u>28,907</u>	<u>18,637</u>	<u>14,612</u>
<b>Total</b> . . . . .	<u><u>228,090</u></u>	<u><u>1,419,932</u></u>	<u><u>1,825,262</u></u>	<u><u>2,242,070</u></u>	<u><u>3,469,212</u></u>

As of the Latest Practicable Date, we did not obtain any bank facilities. During the Track Record Period and up to the date of this Prospectus, we did not have any material contingent liabilities.

### Borrowings

Our borrowings represent our U.S. dollar loan from an investment fund. See “— Discussion of Certain Key Items from Our Consolidated Statements of Financial Position — Current Assets and Liabilities — Borrowings” for more details. During the Track Record Period, our borrowings were generally repayable on demand, and the annual interest rate of these bank loans were 6%.

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## FINANCIAL INFORMATION

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### **Lease Liabilities**

Our lease liabilities represent the present value of outstanding lease payments under our lease agreements. See “— Discussion of Certain Key Items from Our Consolidated Statements of Financial Position — Current Assets and Liabilities — Lease Liabilities” for more details.

### **Amounts Due to Related Parties**

Our amounts due to related parties represent the outstanding balances or payables that we owe to our affiliates. See “— Discussion of Certain Key Items from Our Consolidated Statements of Financial Position — Current Assets and Liabilities — Amounts Due to Related Parties” for more details.

### **Digital Assets Payables**

Our digital assets payables, including current and non-current portions, primarily represent the digital asset payables borrowed from related parties, which are non-trade in nature, and such amounts will be settled prior to the Listing. See “— Discussion of Certain Key Items from Our Consolidated Statements of Financial Position — Current Assets and Liabilities — Digital Assets Payables” for more details.

### **Redemption Liabilities**

Our redemption liabilities are associated with the redemption rights for certain pre-IPO shareholders. In August 2025, we completed our Series A pre-IPO financing and received the last payment of consideration on August 29, 2025. See “— Discussion of Certain Key Items from Our Consolidated Statements of Financial Position — Current Assets and Liabilities — Redemption Liabilities” and “— Pre-IPO Investments — Principal Terms of the Pre-IPO Investments” for more details.

Our Directors confirm that as of the Latest Practicable Date, the agreements under our borrowings did not contain any covenants that would have a material and adverse effect on our ability to obtain additional borrowings or issue debt or equity securities in the future. Our Directors further confirm that we had no defaults in bank and other borrowings, nor did we breach any covenants (that were not waived) during the Track Record Period and up to the Latest Practicable Date. Additionally, our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, we did not experience any difficulties in obtaining credit facilities, nor any withdrawal of facilities or requests for early repayment.

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## FINANCIAL INFORMATION

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Except as otherwise disclosed under the sections titled “— Indebtedness,” as of June 30, 2025, the latest practicable date for determining our indebtedness, we did not have any material bank overdrafts, loans, or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, other recognized lease liabilities, guarantees, or other material contingent liabilities. Our Directors confirm that there have been no material changes in our indebtedness since October 31, 2025 and up to the Latest Practicable Date.

### CAPITAL EXPENDITURES

Our historical capital expenditures primarily included (i) purchase of plant and equipment, and (ii) purchase of intangible assets. The following table sets forth our capital expenditures for the years/periods indicated.

	Year ended December 31,			Six months ended June 30,
	2022	2023	2024	2025
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	<i>(in thousands)</i>			
Purchase of plant and equipment . . . . .	6,984	6,944	5,616	1,349
Purchase of intangible assets .	<u>1,062</u>	<u>9,026</u>	<u>—</u>	<u>1,419</u>
<b>Total . . . . .</b>	<b><u>8,046</u></b>	<b><u>15,970</u></b>	<b><u>5,616</u></b>	<b><u>2,768</u></b>

We will continue to make capital expenditures to support the expected growth of our business and our expansion plans. For details, see “Future Plans and Use of Proceeds — Use of Proceeds.” We intend to fund with financial resources available to us, including our existing cash and bank balances, cash flows generated from our operating activities and net proceeds from the Global Offering.

### CAPITAL COMMITMENTS

As of June 30, 2025, we did not have any material capital commitment.

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## FINANCIAL INFORMATION

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### KEY FINANCIAL RATIOS

The following table sets forth our selected key financial ratios as of the dates/for the years indicated:

	Year ended December 31,			Six months ended June 30,
	2022	2023	2024	2025
	%			
Revenue growth <sup>(1)</sup> . . . . .	N/A	61.0	246.9	(26.1)
Gross profit growth <sup>(2)</sup> . . . . .	N/A	55.7	172.6	(33.7)
Gross profit margin <sup>(3)</sup> . . . . .	97.2	94.0	73.9	65.0

*Notes:*

- (1) Revenue growth is calculated based on revenue for the current period minus revenue for the prior period, divided by revenue for the prior period and multiplied by 100%.
- (2) Gross profit growth is calculated based on gross profit for the current period minus gross profit for the prior period, divided by gross profit for the prior period and multiplied by 100%.
- (3) Gross profit margin is calculated based on gross profit divided by revenue and multiplied by 100%.

### Analysis of Key Financial Ratios

#### *Revenue growth*

See “— Period-to-Period Comparison of Results of Operations” for a discussion of the factors affecting our revenue growth during the Track Record Period.

#### *Gross profit growth*

See “— Period-to-Period Comparison of Results of Operations” for a discussion of the factors affecting our revenue growth during the Track Record Period.

#### *Gross profit margin*

See “— Period-to-Period Comparison of Results of Operations” for a discussion of the factors affecting our revenue growth during the Track Record Period.

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## FINANCIAL INFORMATION

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### RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. For details of our related party transactions, see Note 36 to the Accountants' Report included in Appendix I to this Prospectus.

Our Directors are of the view that each of the related party transactions set out in Note 36 to the Accountants' Report included in Appendix I to this Prospectus was conducted in the ordinary course of business on an arm's length basis and with normal or better commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

During the Track Record Period, the Group entered into related party transactions with Wanxiang Blockchain entities, primarily related to the purchase of technical development services. These services included software and IT infrastructure development, system maintenance, and mobile application and website support. The total purchase amounts were HK\$151.1 million, HK\$157.2 million, HK\$199.8 million, and HK\$97.1 million in 2022, 2023, 2024, and the six months ended June 30, 2025, respectively.

In determining the pricing of such transactions, the Group primarily considered the total costs and expenses expected to be incurred by Wanxiang Blockchain entities in providing the relevant services, including labor costs, rental expenses, and other operating expenses. During the Track Record Period, the aggregate costs and expenses incurred by Wanxiang Blockchain entities amounted to HK\$171.3 million, HK\$172.9 million, HK\$200.1 million, and HK\$117.6 million in 2022, 2023, 2024, and the six months ended June 30, 2025, respectively. The difference between the Group's total purchase amounts and the total costs and expenses incurred by Wanxiang Blockchain entities was primarily caused by the timing difference and foreign exchange losses. According to Frost & Sullivan, the pricing mechanism of these related party transactions was consistent with the market practice.

As illustrated above, the Group procured such services from Wanxiang Blockchain entities nearly at cost price. Should the Group procure similar services from independent third-party suppliers, the purchase price is expected to include at least a mark-up of 10% over the cost base. If we are to procure similar services from independent third-party suppliers, we would have incurred additionally HK\$15.1 million, HK\$15.7 million, HK\$20.0 million and HK\$9.7 million in cost for such services in 2022, 2023, 2024, and the six months ended June 30, 2025, respectively, and may incur an additional HK\$140 million in the next three years.

### OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet financial guarantees or other commitments to guarantee the payment obligations of any third parties. We have not entered into any derivative contracts that are indexed to our shares and classified as Shareholder's equity or that are not reflected in our consolidated financial statements.

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## FINANCIAL INFORMATION

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### FINANCIAL RISKS DISCLOSURE

We are exposed to a variety of market risk, including foreign exchange risk, interest rate risk and price risk, credit risk and liquidity risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. Risk management is carried out by our executive directors. The executive directors identify and evaluate financial risks in close cooperation with the operating units.

#### **Market risk**

##### *Foreign exchange risk*

We operate across the globe including Hong Kong, Bermuda, Singapore, Japan and the UAE. Foreign exchange risk arises from recognized assets and liabilities denominated in a currency that is not the functional currency of us and net investments in foreign operations.

As of December 31, 2022, 2023, 2024 and June 30, 2025, most of the financial assets and liabilities of our subsidiaries are denominated in their respective functional currencies.

There are certain U.S. dollar financial assets and liabilities held by us and our subsidiaries with HK\$ as functional currency. Since HK\$ is pegged to the U.S. dollars, our management considers the foreign exchange risk arising from such financial assets and liabilities to us is not significant. Hence, the Directors we do not have any material foreign exchange risk exposure, hence no sensitivity analysis is presented.

##### *Interest rate risk*

We are exposed to interest rate risk through the impact of rate changes on interest-bearing assets and liabilities. Borrowings obtained at fixed rates expose us to fair value interest rate risk. In the opinion of our management, the expected change in fair values as a result of change in market interest rates will not be significant, thus no sensitivity analysis is presented.

Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. Our assets and liabilities, which bear variable interest rates mainly include bank deposits. Accordingly, there is no significant cash flow interest rate risk arising from financial instruments. Management manages the interest rate risk exposure through regular review to determine the treasury and investment strategy as appropriate to its current business profile.

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## FINANCIAL INFORMATION

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### **Credit risk**

Our credit risk is primarily attributable to trade receivables, including accounts receivable, deposits and other receivables, amounts due from related parties and cash and cash equivalents included in the consolidated statement of financial position, which represent our maximum exposure to credit risk in relation to our financial assets. Management has credit policies in place to monitor the exposures to these credit risks on an ongoing basis.

### **DIVIDENDS**

No dividend was paid or declared by us or any of our subsidiaries since our incorporation. After the Track Record Period and up to the date of this Prospectus, we did not declare any dividends to our Shareholders.

As of the Latest Practicable Date, we did not have a formal dividend policy nor a fixed dividend distribution ratio. As advised by our Cayman Islands legal advisor, under Cayman Islands law, a position of accumulated losses and net liabilities does not necessarily restrict our Company from declaring and paying dividends to our Shareholders out of either our profit or our share premium account, provided this would not result in our Company being unable to pay its debts as they fall due in the ordinary course of business. As we are a holding company incorporated under the laws of the Cayman Islands, the payment and amount of any future dividends will also depend on the availability of dividends received from our subsidiaries. Any dividends we pay will be determined at the absolute discretion of our Board, taking into account factors including our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors that our Board deems to be appropriate. Our Shareholders may approve, in a general meeting, any declaration of dividends, which must not exceed the amount recommended by our Board. No dividends have been paid or declared by our Company since its incorporation. We plan to adopt a formal dividend policy upon Listing.

### **WORKING CAPITAL SUFFICIENCY**

Our Directors are of the opinion, and the Joint Sponsors concur, that, taking into account the financial resources available to our Group, including the estimated net proceeds from the Global Offering and the expected cash flows generated from operating activities, we have sufficient working capital (exclusive of digital assets) for our present requirements and for the next 12 months from the date of this Prospectus.

### **DISTRIBUTABLE RESERVES**

As of June 30, 2025, we did not have any distributable reserves.

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## FINANCIAL INFORMATION

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### LISTING EXPENSES

Our listing expenses mainly include (i) underwriting-related expenses, such as underwriting fees and commissions, and (ii) non-underwriting-related expenses, comprising professional fees paid to our legal advisors and reporting accountants for their services rendered in relation to the Listing and the Global Offering, and other fees and expenses. Assuming full payment of the discretionary incentive fee, the estimated total listing expenses (based on the mid-point of the Offer Price range and assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised) for the Global Offering are approximately HK\$125.3 million, accounting for approximately 8.1% of our gross proceeds. Among such estimated total listing expenses, we expect to pay underwriting-related expenses of HK\$62.1 million, professional fees for our legal advisors and reporting accountants of HK\$47.3 million and other fees and expenses of HK\$15.9 million. An estimated amount of HK\$57.8 million for our listing expenses, accounting for approximately 3.7% of our gross proceeds, is expected to be expensed through the statement of profit or loss and an estimated amount of HK\$67.5 million is expected to be recognized directly as a deduction from equity upon the Listing. During the Track Record Period, we did not recognize any listing expenses.

### NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that, up to the date of the Prospectus, there had been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since June 30, 2025, being the end date of the periods reported on in the Accountants' Report set out in Appendix I to this Prospectus, and there had been no event since June 30, 2025, that would materially affect the information shown in the Accountants' Report set out in Appendix I to this Prospectus.

### DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, except for the amounts due from related parties as disclosed in this section, as of the Latest Practicable Date, there were no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

### UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group prepared in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and is set out below to illustrate the effect of the Global Offering on the consolidated net tangible liabilities of the Group attributable to equity shareholders of the Company as of June 30, 2025 as if the Global Offering had taken place on June 30, 2025.

## FINANCIAL INFORMATION

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Global Offering been completed as of June 30, 2025 or at any future date.

	Consolidated net tangible liabilities of the Group attributable to equity shareholders of the Company as of June 30, 2025	Estimated net proceeds from the Global Offering	Estimate impact upon the conversion of Series A Preferred Shares into Shares	Unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company	Unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share
	<i>HK\$'000</i> <i>(Note 1)</i>	<i>HK\$'000</i> <i>(Note 2)</i>	<i>HK\$'000</i> <i>(Note 3)</i>	<i>HK\$'000</i>	<i>HK\$</i> <i>(Note 4)</i>
Based on an Offer Price of HK\$5.95 per Share . . . . .	<u>(1,833,900)</u>	<u>1,311,148</u>	<u>1,560,411</u>	<u>1,037,659</u>	<u>0.55</u>
Based on an Offer Price of HK\$6.95 per Share . . . . .	<u>(1,833,900)</u>	<u>1,541,592</u>	<u>1,560,411</u>	<u>1,268,103</u>	<u>0.68</u>

*Notes:*

- (1) The consolidated net tangible liabilities of the Group attributable to equity shareholders of the Company as of June 30, 2025 is arrived at after deducting intangible assets — digital assets of HK\$155,679,000 and intangible assets — others of HK\$78,292,000 from the consolidated total deficit attributable to equity shareholders of the Company of HK\$1,599,929,000 as of June 30, 2025, as extracted from the Accountants' Report set out in Appendix I to this Prospectus.
- (2) The estimated net proceeds from the Global Offering are calculated based on the indicative Offer Prices of HK\$5.95 per Share (being the minimum Offer Price) and HK\$6.95 per Share (being the maximum Offer Price), and 240,570,000 Shares to be issued under the Global Offering, after deduction of the underwriting fees and other related expenses paid or payable by the Group (excluding the listing expenses charged to profit or loss during the Track Record Period). It does not take into account any Shares which may be issued upon the exercise of the Offer Size Adjustment Option, the Over-allotment Option and shares granted under the Pre-IPO Equity Incentive Plan.
- (3) The carrying amount of the Group's redemption liabilities arising from Series A Preferred Shares was HK\$1,560,411,000 as of June 30, 2025, which is extracted from the Accountants' Report set out in Appendix I. Upon the Listing and completion of the Global Offering, the Company's Series A Preferred Shares will be automatically converted into Shares of the Company and redemption liabilities arising from Series A Preferred Shares will be re-designated from liabilities to equity.
- (4) The unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that 1,870,444,122 Shares (including (i) 1,350,000,000 Shares issued and outstanding as of June 30, 2025, (ii) 279,874,122 Shares converted from Series A Preferred Shares issued and outstanding as of June 30, 2025 on a one-to-one basis, (iii) 240,570,000 Shares to be issued under the Global Offering) were in issue immediately following the completion of Global Offering. It does not take into account any Shares which may be issued upon the exercise of the Offer Size Adjustment Option, the Over-allotment Option and the shares granted under the Pre-IPO Equity Incentive Plan.

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## FINANCIAL INFORMATION

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- (5) No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets to reflect any trading results or other transactions of the Group entered into subsequent to June 30, 2025, including the issuance of 316,160,460 Series A Preferred Shares in July 2025 and August 2025. Had such issuance occurred before or as of June 30, 2025, our unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity shareholders of the Company would have increased by HK\$1,680,297,000, and our unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share based on minimum Offer Price and maximum Offer Price would have increased by HK\$0.69 and HK\$0.67, respectively.

Please refer to “Appendix II — Unaudited Pro Forma Financial Information” for further details.

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## FUTURE PLANS AND USE OF PROCEEDS

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### FUTURE PLANS

See “Business — Our Growth Strategies” for a detailed description of our future plans.

### USE OF PROCEEDS

We estimate that the aggregate net proceeds to our Company from the Global Offering after deducting underwriting commissions and other estimated expenses in connection with the Global Offering to be paid and payable by us, taking into account any additional discretionary incentive fee and assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised and an Offer Price of HK\$6.45 per Share, being the mid-point of the indicative Offer Price range of HK\$5.95 to HK\$6.95 per Share will be approximately HK\$1,426.4 million (US\$183.2 million).

In line with our strategies, we intend to use the net proceeds for the following purposes:

- **Technology and Infrastructure Iteration.** Our competitive strength depends on continuous enhancement of technology and infrastructure. With the wider adoption of digital assets, both existing and prospective institutional and retail clients increasingly expect faster execution, stronger system security and integrated Web3 infrastructure. To meet these demands and prepare for long-term growth, approximately 40.0%, or HK\$570.5 million, of the net proceeds will be allocated in upgrading our technology and infrastructure over the next three to five years.
  - (i) ***Driving Product Innovation and New Offerings.*** Approximately 22.0%, or HK\$313.8 million, of the net proceeds will be allocated to enhancing our product development capacities and introducing new and innovative digital asset offerings that are fully aligned with applicable regulatory frameworks. Product innovation is a cornerstone of our strategy to broaden investor participation, deepen market liquidity, and drive sustainable growth in regulated digital assets.
    - We are building shared liquidity across venues and upgrading our custody system to support a broader range of chains and digital assets on our platform in next two years. The product suite will be expanded to include more diversified investment solutions, such as staking and other yield-enhancing products, as well as compliant derivatives including spot leverage and perpetual contracts.
    - At the same time, our OTC services are being upgraded into a more automated marketplace model, while collaboration with banks will enable the introduction of co-branded card products that integrate digital assets with mainstream financial services.

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## FUTURE PLANS AND USE OF PROCEEDS

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In on-chain innovation, we are developing a “Crypto-as-a-Service” (“CaaS”) platform to provide institutional clients with a one-stop solution for secure and compliant blockchain engagement. Enhancements to HashKey Chain will cover features such as on-chain KYC, AML monitoring, cross-chain interoperability, surveillance and advanced security functions, in next two to three years. Furthermore, we are further upgrading staking business to launch institutional-grade staking products, to meet the staking service needs from ETFs, digital asset trusts and other custodial institutions, which are setting higher and more dynamics technology requirements for staking services, so to strengthen our role as a preferred provider of licensed staking infrastructure.

To this end, we will continue to invest in the acquisition and retention of R&D talent, ensuring that we maintain strong in-house expertise and external collaboration to support innovation. At the same time, we will enhance our infrastructure, software and distribution capabilities to enable the large-scale issuance and broader adoption of tokenised products. Accordingly, the proceeds will be utilized to 1) build and scale our trading infrastructure — including cross-venue liquidity connectivity and new product roll-outs — through a combination of in-house research and development and external professional services; 2) apply new licenses related to products and geographic expansion; and 3) enhance our HashKey Chain capabilities leveraging both in-house and external research and development resources.

- (ii) ***Enhancing Infrastructure Through Procuring Quality Cloud Services.*** Approximately 10.0%, or HK\$142.6 million, of the net proceeds will be used for cloud services procurement from external quality cloud vendors and upgrade our systems for next three years. Resilient and scalable infrastructure is essential to maintain system stability, ensure high availability, and support uninterrupted trading as user activity and trading volumes grow.

The adoption of high-quality cloud services will ensure that our trading platforms remain stable, responsive, and secure, even during periods of market volatility. Cloud-based staking and custody solutions will benefit from distributed storage, advanced encryption, and enhanced disaster recovery capabilities, reducing operational risks and improving service continuity. Furthermore, cloud-native development tools will accelerate the deployment of new products, improve integration with ecosystem partners, and support seamless international expansion. By embedding cloud capabilities into our core infrastructure, we aim to deliver good service quality, operational efficiency, and scalability to meet the demands of the next phase of growth.

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## FUTURE PLANS AND USE OF PROCEEDS

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- (iii) ***Strengthening R&D Capacity.*** Approximately 6.0%, or HK\$85.6 million, of the net proceeds will be allocated in retaining and attracting top-notch talents in the fields of digital assets, blockchain and Web3 infrastructure to reinforce our technical architecture.

Innovation in digital assets requires continuous enhancements to system performance and infrastructure. We will continuously retain and further strengthen our R&D team for the next three to five years, which is designed to be comprising over 70 employees with expertise in blockchain technologies such as zero-knowledge proof. These R&D resources are expected to further enhance the performance of our trading platform to be compatible with more innovative scenarios, automate operation and surveillance process and increase throughput ensuring institutional-grade execution.

In addition, our custody services will enhance wallet management tools to improve transparency, automation and operational efficiency. We will also invest in Web3 infrastructure upgrade, including cross-chain connectivity, zero-knowledge proof technology integration, large-scale computation and performance improvement, to support tokenised products and on-chain services. These measures will establish a technology foundation that secures competitiveness, ensures regulatory alignment and enables scalable growth.

- (iv) ***Upgrading Cybersecurity Defense Scheme.*** Approximately 2.0%, or HK\$28.5 million, of the net proceeds will be allocated to enhancing our IT security and infrastructure resilience supporting our long-term growth and reinforcing trust among users over the next three to five years, mainly through upgrading our cybersecurity applications by working with industry-leading suppliers to develop tailored cybersecurity systems and procure related hardware, software and professional services.

As digital assets trading involves managing sensitive user data and high-value transactions, robust cybersecurity is critical to protecting client assets, ensuring regulatory compliance, and maintaining platform integrity. To this end, we intend to procure related hardware, software and professional services, such as security audit, endpoint detection and response (“EDR”) services and network intrusion detection system (“NIDS”). These investments will enable us to stay ahead of evolving cyber threats, enhance system monitoring and incident response capabilities, and safeguard the trust of our users and stakeholders.

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## FUTURE PLANS AND USE OF PROCEEDS

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- **Market Expansion and Ecosystem Partnerships.** Expanding adoption of compliant digital assets requires not only stronger systems but also broader reach and deeper collaboration. Approximately 40.0%, or HK\$570.5 million, of the net proceeds will be allocated to growing operational teams, promoting awareness and building ecosystem partnerships for the next three to five years. This investment is essential to scaling our operations, enhancing brand visibility, and fostering collaboration across the digital asset value chain. By expanding our operational capabilities, promoting the adoption of compliant digital assets, and deepening ties with key industry players, we aim to create a more robust, liquid, and trusted digital asset ecosystem.
  - (i) ***Maintaining Business Development and Operation Teams to Support Growth.*** Approximately 16.0%, or HK\$228.2 million, will be allocated to maintaining our business development and operational teams in Hong Kong and globally by recruiting and retaining talent across business development, client services, user growth and operation, asset and product operations, and institutional account management over the course of this period. To this end, we plan to maintain and strengthen our business development and operational teams of approximately 200 professionals with expertise in business development, client services, user growth and operation, and institutional account management.

As trading volumes and client needs continue to grow in complexity, a stronger operational backbone will enable us to maintain high standards of service quality, improve client onboarding and settlement efficiency, and deliver reliable support for both institutional and retail users. This includes enhanced monitoring for custody services, more responsive client servicing for asset management products, and the ability to scale operations seamlessly as new offerings and markets are introduced.

- (ii) ***Promoting Awareness and Adoption of Digital Assets.*** Approximately 12.0%, or HK\$171.2 million, of the net proceeds will be allocated to promoting awareness and adoption of compliant digital assets through targeted education and marketing initiatives over the course of this period. Building awareness is important to increase investor confidence and accelerate adoption of compliant digital assets.

Recognizing that broader acceptance of digital assets depends on investor understanding and trust, we will launch a series of seminars, conferences, roadshows and digital marketing campaigns to highlight the benefits of licensed digital asset trading and investment. These initiatives will showcase the security of our custody solutions, the reliability of our trading platforms, and the potential of innovative products. We will also leverage both online and offline marketing channels to expand our reach, supported by targeted user acquisition programs such as new-user incentives, referral subsidies and

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## FUTURE PLANS AND USE OF PROCEEDS

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trading rebate campaigns. By engaging with both institutional and retail audiences through these efforts, we aim to elevate our brand, build investor confidence and broaden our customer base as a trusted gateway to the digital asset economy.

- (iii) ***Deepening Collaboration with Stakeholders.*** Approximately 12.0%, or HK\$171.2 million, of the net proceeds will be allocated to strengthening strategic partnerships across the value chain over the course of this period, mainly through providing incentives to partners, e.g. liquidity providers to fostering thriving activities on our platform. Strategic partnerships are essential to enhancing liquidity, expanding distribution, and embedding digital assets more deeply into the traditional financial system. Our deepened collaboration with liquidity providers will improve liquidity by supporting our trading activity and balancing both demand and supply sides of the liquidity pool, especially in the early stage when trading volume is relatively small. As our platform grows and liquidity increases, the fluctuations between demand and supply will converge, reducing our reliance on liquidity providers and improving our gross margin.

We will work closely with liquidity providers, banks, payment providers, fintech firms, and stablecoin issuers to strengthen fiat on- and off-ramp capabilities, ensuring seamless and secure fund and payment flows for all users. Collaborations with multiple blockchains, developers and infrastructure providers will accelerate the creation and integration of tokenised assets and advanced on-chain functionalities. Meanwhile, partnerships with institutional investors, asset managers, and family offices will enable us to co-develop regulated investment products and bring institutional-grade solutions to market. These ecosystem partnerships will not only enhance liquidity and product diversity but also create a network effect that drives user engagement, improves trust, and solidifies our position as a leader in Asia's licensed digital asset market.

- **Operational and Risk Management.** As a licensed digital asset platform, we operate in a highly regulated industry. To keep pace with these expectations and to protect both investors and our business operations, approximately 10.0%, or HK\$142.6 million, of the net proceeds will be allocated to further strengthening our operational and risk management for the next three to five years. This investment is essential to protect our clients, maintain institutional trust, and ensure that our operations remain fully aligned with current and future regulatory expectations.
  - (i) ***Strengthening Legal, Risk and Compliance Functions.*** Approximately 4.0%, or HK\$57.1 million, of the net proceeds will be allocated to retaining and expanding our legal, risk and compliance teams to ensure ongoing alignment with evolving regulatory standards over the course of the period.

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## FUTURE PLANS AND USE OF PROCEEDS

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As our business expands into new geographical markets and offers a broader range of products and services, the complexity of licensing, regulatory reporting, and investor protection requirements continues to grow. These additional resources will enhance our ability to manage licensing applications, AML/KYC processes, market surveillance, and custody monitoring across all business lines. By embedding these functions more deeply into our operations, we will ensure consistent compliance, improve transparency in asset management and fund operations, and scale our services responsibly while maintaining the confidence of regulators and clients alike.

- (ii) ***Engaging Professional Vendors to Enhance Operations, Compliance and Security.*** Approximately 4.0%, or HK\$57.1 million, of the net proceeds will be allocated to engaging professional vendors, including but not limited to AML auditors, cybersecurity firms and compliance consultants. Independent assurance plays a critical role in complementing our internal capabilities and enhancing our credibility with regulators and institutional stakeholders.

Independent audits, penetration testing and the pursuit of certifications such as SOC and ISO will validate the effectiveness of our controls, improve system resilience, and demonstrate our commitment to security and compliance. By combining a skilled internal team with external validation, we will establish a robust, adaptable, and future-ready compliance framework that can meet the challenges of an increasingly complex and global regulatory environment.

- (iii) ***Broader Enhancement of Middle- and Back-Office Capabilities.*** Approximately 2.0%, or HK\$28.5 million, of the net proceeds will be allocated to upgrading critical middle- and back-office functions, including finance, human resources, business intelligence and internal controls mainly through procurement of industry leading business intelligent software and recruiting staff with relevant experiences. By modernizing these core functions, we aim to build a more resilient institutional backbone that supports our global expansion, ensures timely and transparent reporting, and provides regulators and institutional clients with continued confidence in the robustness of our operations.

- **Working Capital and General Corporate Purposes.** The remaining approximately 10.0%, or HK\$142.6 million, of the net proceeds will be allocated to working capital and general corporate purposes, providing us with greater financial flexibility to support our day-to-day operations and respond to evolving business needs.

If the Offer Price is fixed at the high-end or low-end of the Offer Price range (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), the net proceeds will increase or decrease by approximately HK\$115.2 million (after deducting underwriting fees and expenses related to the Global Offering). We intend to apply the additional or reduced net proceeds to the above uses on a pro rata basis.

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## FUTURE PLANS AND USE OF PROCEEDS

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If the Offer Size Adjustment Option and the Over-allotment Option are fully exercised, our Company will receive additional net proceeds of approximately HK\$768.1 million for 119,081,600 Shares to be allotted and issued upon the full exercise of the Offer Size Adjustment Option and the Over-allotment Option based on the Offer Price of HK\$6.45 per Offer Share, being the mid-point of the Offer Price range, and after deducting the underwriting fees and commissions payable by our Company. The additional amount raised will be applied to the above areas of use of proceeds on pro rata basis.

To the extent that the net proceeds from the Global Offering are not immediately required for the above purposes and to the extent permitted by the relevant law and regulations, we will only place the net proceeds from the Global Offering in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions. We will make an appropriate announcement if there is any change to the above proposed use of proceeds.

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## UNDERWRITING

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### HONG KONG UNDERWRITERS

J.P. Morgan Securities (Asia Pacific) Limited

Guotai Junan Securities (Hong Kong) Limited

CMB International Capital Limited

Eddid Securities and Futures Limited

First Shanghai Securities Limited

Futu Securities International (Hong Kong) Limited

Huatai Financial Holdings (Hong Kong) Limited

Tiger Brokers (HK) Global Limited

Victory Securities Company Limited

### UNDERWRITING

This Prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is expected to be fully underwritten by the International Underwriters. If, for any reason, the Offer Price is not agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, the Global Offering will not proceed and will lapse.

The Global Offering comprises the Hong Kong Public Offering of initially 24,057,200 Hong Kong Offer Shares and the International Offering of initially 216,512,800 International Offer Shares, subject, in each case, to reallocation on the basis as described in “Structure of the Global Offering” as well as to the Offer Size Adjustment Option and the Over-allotment Option (in the case of the International Offering).

### UNDERWRITING ARRANGEMENTS AND EXPENSES

#### **Hong Kong Public Offering**

#### *Hong Kong Underwriting Agreement*

The Hong Kong Underwriting Agreement was entered into on December 8, 2025. Pursuant to the Hong Kong Underwriting Agreement, our Company is offering the Hong Kong Offer Shares for subscription on the terms and conditions set out in this Prospectus, and the Hong Kong Underwriting Agreement at the Offer Price.

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## UNDERWRITING

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Subject to (a) the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering (including the Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) on the Main Board of the Stock Exchange and such approval not having been withdrawn and (b) certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the Hong Kong Offer Shares being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions set out in this Prospectus, and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on, among other things, the International Underwriting Agreement having been executed and becoming unconditional and not having been terminated in accordance with its terms.

### *Grounds for Termination*

If any of the events set out below occur at any time prior to 8:00 a.m. on the Listing Date, the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) in their sole and absolute discretion, shall have the right by giving a notice to our Company to terminate the Hong Kong Underwriting Agreement with immediate effect:

- (a) there shall develop, occur, exist or come into force:
  - (i) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent authority in or affecting Hong Kong, Cayman Islands, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Singapore, Bermuda, Japan, Ireland and UAE, or other jurisdictions relevant to our Group or the Global Offering (each a “**Relevant Jurisdiction**” and collectively, the “**Relevant Jurisdictions**”);
  - (ii) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, Taxation, equity securities or currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares;

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## UNDERWRITING

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- (iii) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed)) in or affecting any of the Relevant Jurisdictions;
- (iv) the imposition or declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on (x) the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; or (y) the trading in any securities of our Company listed or quoted on a stock exchange or an over-the-counter market;
- (v) the imposition or declaration of any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions;
- (vi) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by our Company of a supplement or amendment to this Prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC;
- (vii) the commencement by any authority or other regulatory or political body or organization of any public action or investigation against a group company or a director or a senior management member of any group company or announcing an intention to take any such action;
- (viii) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any group company or any of Mr. Lu or GDZ International Limited or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction;

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## UNDERWRITING

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- (ix) a change or development involving a prospective change in or affecting taxes or exchange control, currency exchange rates or foreign investment regulations (including, without limitation, a material devaluation of the Hong Kong dollar, United States dollar, the Renminbi, Euro, British pound or Swiss Franc against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or RMB is linked to any foreign currency or currencies), or the implementation of any exchange control, in any of the Relevant Jurisdictions or affecting an investment in the Offer Shares;
- (x) any valid demand by creditors for payment or repayment of indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity;
- (xi) any non-compliance of this Prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable Laws;
- (xii) any litigation, dispute, proceeding, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of our Group or Mr. Lu or GDZ International Limited or any Director or senior management members as named in this Prospectus;
- (xiii) any contravention by any group company or any Director or any member of the senior management of our Company of the Listing Rules or applicable Laws;  
or
- (xiv) any change or prospective change, or a materialization of, any of the risks set out in the section headed “Risk Factors” in this Prospectus,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters):

- (1) has or will or may have a material adverse effect, whether directly or indirectly, the assets, liabilities, business, general affairs, management, prospects, shareholders’ equity, profits, losses, earnings, solvency, liquidity position, funding, results of operations, position or condition, financial, operational or otherwise, or performance of our Company or our Group as a whole;
- (2) has or will or may have a material adverse effect on the success of the Global Offering or the level of applications for or the distribution of the Offer Shares under the Hong Kong Public Offering or the level of indications of interest under the International Offering;

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## UNDERWRITING

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- (3) makes or will make or may make it impracticable, inadvisable, inexpedient, or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the offering documents; or
  - (4) has or will or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable or impracticable of performance in accordance with its terms or preventing or delaying the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or
- (b) there has come to the notice of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:
  - (i) any statement contained in any of the offering documents and/or any notices, announcements, advertisements, communications or other documents in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) (the “**Global offering documents**”) was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith;
  - (ii) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this Prospectus, constitute a material omission or misstatement in any Global Offering Document;
  - (iii) any breach of, or any event or circumstance rendering untrue or incorrect or incomplete or misleading in any respect, any of the representations, warranties and undertakings given by our Company or Mr. Lu or GDZ International Limited in the Hong Kong Underwriting Agreement or the International Underwriting Agreement;
  - (iv) any event, act or omission which gives rise or is likely to give rise to any liability of any of the Indemnifying Parties pursuant to the indemnities in the Hong Kong Underwriting Agreement or the International Underwriting Agreement;

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## UNDERWRITING

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- (v) any breach of any of the obligations or undertakings imposed upon our Company or Mr. Lu or GDZ International Limited or any cornerstone investor (as applicable) to the Hong Kong Underwriting Agreement, the International Underwriting Agreement or the Cornerstone Investment Agreements;
- (vi) there is any material adverse effect or any change or development involving a prospective change, constituting or having a material adverse effect;
- (vii) that the chairman of the Board, any Director or any member of senior management of our Company named in this Prospectus seeks to retire, or is removed from office or vacating his/her office;
- (viii) any Director or any member of senior management of our Company named in this Prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company or there is the commencement by any governmental, political or regulatory body of any investigation or other action against any executive Director in his or her capacity as such or any member of our Group or an announcement by any governmental, political or regulatory body that it intends to commence any such investigation or take any such action;
- (ix) our Company withdraws this Prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering;
- (x) that the approval by the Listing Committee of the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering (including pursuant to any exercise of the Over-allotment Option) is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld;
- (xi) any person (other than any of the Joint Sponsors) has withdrawn its consent to the issue of this Prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears;
- (xii) any prohibition on our Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering;
- (xiii) any person (other than the Joint Sponsors and the Overall Coordinators) has withdrawn or sought to withdraw its consent to being named in any of the offering documents or to the issue of any of the offering documents;

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## UNDERWRITING

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- (xiv) an order or petition is presented for the winding-up or liquidation of any member of our Group, or any member of our Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurs in respect of any member of our Group; or
- (xv) that (i) a material portion of the orders placed or confirmed in the bookbuilding process or (ii) any investment commitment made by any cornerstone investors under the Cornerstone Investment Agreements signed with such cornerstone investors, have been withdrawn, terminated or cancelled, as a result of the payment of the relevant investment amount not being received or settled in the stipulated time and manner or otherwise.

### *Undertakings to the Stock Exchange pursuant to the Listing Rules*

#### *Undertakings by our Company*

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange that no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) may be issued by our Company or form the subject of any agreement to such an issue within six (6) months from the Listing Date (whether or not such issue of Shares or securities will be completed within six (6) months from the Listing Date), except for Shares issued or to be issued pursuant to the Global Offering (including any exercise of the Offer Size Adjustment Option and the Over-allotment Option) or any of the other circumstances provided under Rule 10.08 of the Listing Rules:

#### *Undertakings by the Controlling Shareholders*

Pursuant to Rule 10.07 of the Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange and our Company that, except pursuant to the Global Offering (including the Offer Size Adjustment Option and the Over-allotment Option), it will not and will procure that the relevant registered holder(s) will not without the prior written consent of the Stock Exchange or unless otherwise in compliance with the applicable requirement of the Listing Rules:

- (i) in the period commencing on the date by reference to which disclosure of its shareholdings in our Company is made in this Prospectus and ending on the date which is six months from the Listing Date (the “**First Six-Month Period**”), either directly or indirectly, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the securities of our Company in respect of which it is shown by this Prospectus to be the beneficial owner; and

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## UNDERWRITING

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- (ii) in the period of six months from the expiry of the First Six-Month Period, either directly or indirectly, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the securities referred to in paragraph (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it would cease to be a controlling shareholder of our Company.

Pursuant to Note 3 to Rule 10.07(2) of the Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange and our Company that, within the period commencing on the date by reference to which disclosure of its shareholding in our Company is made in this Prospectus and ending on the date which is 12 months from the Listing Date, it will and will procure that the relevant registered holder(s) will:

- (a) when it pledges or charges any securities of our Company beneficially owned by it in favour of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) pursuant to Note 2 to Rule 10.07 of the Listing Rules, immediately inform our Company of such pledge or charge together with the number of securities so pledged or charged; and
- (b) when it receives indications, either verbal or written, from the pledgee or chargee of any securities of our Company that any of the pledged or charged securities will be disposed of, immediately inform our Company of such indications.

Our Company will inform the Stock Exchange as soon as it has been informed of the matters referred to in paragraphs (i) and (ii) above by the Controlling Shareholders and subject to the then applicable requirements of the Listing Rules disclose such matters by way of an announcement.

### *Undertakings pursuant to the Hong Kong Underwriting Agreement*

#### *(A) Undertakings by our Company*

Pursuant to the Hong Kong Underwriting Agreement, save for the issue, offer or sale of the Offer Shares by our Company pursuant to the Global Offering (including pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), during the period commencing on the date of the Hong Kong Underwriting Agreement and ending on, and including, the date falling six months after the Listing Date (the “**First Six-Month Period**”), our Company has undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the CMI, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters not to, without the prior written consent of the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the Listing Rules:

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## UNDERWRITING

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- (i) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the share capital or any other securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share capital or other securities of the Company, as applicable), or deposit any share capital or other securities of the Company, as applicable, with a depositary in connection with the issue of depositary receipts; or
  
- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the Shares or any other securities of our Company, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares); or
  
- (iii) enter into any transaction with the same economic effect as any transaction specified in paragraphs (i) or (ii) above; or
  
- (iv) offer to or contract to or agree to announce, or publicly disclose that our Company will or may enter into any transaction described in paragraphs (i), (ii) or (iii) above,

in each case, whether any of the transactions above is to be settled by delivery of Shares or other securities of our Company, in cash or otherwise (whether or not the issue of such Shares or other securities of our Company will be completed within the First Six-Month Period).

In the event our Company is allowed to enter into any of the transactions described in paragraphs (i), (ii) or (iii) above or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the First Six Month Period expires (the “**Second Six Month Period**”), it will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of our Company will, create a disorderly or false market for any Shares or other securities of our Company.

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## UNDERWRITING

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*(B) Undertakings by Mr. Lu and GDZ International Limited*

Pursuant to the Hong Kong Underwriting Agreement, each of Mr. Lu or GDZ International Limited undertakes to each of our Company, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the CMI's, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that, without the prior written consent of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

- (a) it/he will not, and will procure that the relevant registered holder(s), any nominee or trustee holding on trust for it/him and the companies controlled by it/him will not, at any time during the First Six Month Period,
  - (i) sell, offer to sell, accept subscription for, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing), or deposit any Shares or other securities of our Company with a depositary in connection with the issue of depositary receipts; or
  - (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing); or
  - (iii) enter into any transaction with the same economic effect as any transaction specified in paragraphs (i) or (ii) above; or
  - (iv) offer to or agree to or announce any intention to effect any transaction described in paragraphs (i), (ii) or (iii) above,

in each case, whether any of the transactions specified in paragraphs (i), (ii) or (iii) above is to be settled by delivery of Shares or other securities of our Company or in cash or otherwise, and whether or not the transactions will be completed within the First Six Month Period;

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## UNDERWRITING

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- (b) It/he will not, during the Second Six Month Period, enter into any of the transactions specified in paragraphs (i), (ii) or (iii) above or offer to or agree to contract to or publicly announce any intention to effect any such transaction if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or encumbrance pursuant to such transaction, it/he will cease to be a Controlling Shareholder of our Company or a member of a group of the Controlling Shareholders of our Company or would together with the other Controlling Shareholders cease to be “Controlling Shareholders” of our Company; and until the expiry of the Second Six Month Period, in the event that it enters into any of the transactions specified in paragraphs (i), (ii) or (iii) or offer to or agrees to or contract to or publicly announce any intention to effect any such transaction, it/he/she will take all reasonable steps to ensure that such a disposal will not create a disorderly or false market in the securities of our Company.

### *Hong Kong Underwriters’ Interests in our Company*

Save for their respective obligations under the Hong Kong Underwriting Agreement and, if applicable, the Stock Borrowing Agreement, as at the Latest Practicable Date, none of the Hong Kong Underwriters was interested, legally or beneficially, directly or indirectly, in any Shares or any securities of any member of our Group or had any right or option (whether legally enforceable or not) to subscribe for or purchase, or to nominate persons to subscribe for or purchase, any Shares or any securities of any member of our Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their respective obligations under the Hong Kong Underwriting Agreement.

### **International Offering**

#### *International Underwriting Agreement*

In connection with the International Offering, our Company expects to enter into the International Underwriting Agreement with the International Underwriters on the Price Determination Date. Under the International Underwriting Agreement and subject to the Offer Size Adjustment Option and the Over-allotment Option, the International Underwriters would, subject to certain conditions set out therein, agree severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the International Offer Shares initially being offered pursuant to the International Offering. It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors should note that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed. See “Structure of the Global Offering — The International Offering.”

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## UNDERWRITING

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### *Over-allotment Option*

Our Company is expected to grant to the International Underwriters the Over-allotment Option, exercisable by the Overall Coordinators on behalf of the International Underwriters at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, pursuant to which our Company may be required to issue up to an aggregate of 36,085,200 Shares (representing in aggregate approximately 15% of the Offer Shares initially being offered under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all) or up to 46,910,800 additional Shares (representing in aggregate approximately 15% of the Offer Shares initially being offered under the Global Offering assuming the Offer Size Adjustment Option is exercised in full), at the Offer Price, to, among other things, cover over-allocations in the International Offering, if any. See “Structure of the Global Offering — Over-allotment Option.”

### **Commissions and Expenses**

The Capital Market Intermediaries will receive an underwriting commission of 3.0% of the aggregate Offer Price of all the Offer Shares (including any Offer Shares to be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), out of which they will pay any sub-underwriting commissions and other fees (if any).

The Capital Market Intermediaries may receive a discretionary incentive fee of up to 1.0% of the aggregate Offer Price of all the Offer Shares to be issued by our Company under the Global Offering (including any Offer Shares to be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option).

Assuming full payment of the discretionary fees, the fixed fees and the discretionary fees payable to the Capital Market Intermediaries represent approximately 75.0% and 25.0%, respectively, of the aggregate fees payable to the Capital Market Intermediaries in total in connection with the Global Offering.

For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, the underwriting commission will not be paid to the Hong Kong Underwriters but will instead be paid, at the rate applicable to the International Offering, to the relevant International Underwriters.

The aggregate underwriting commissions payable to the Capital Market Intermediaries in relation to the Global Offering (assuming an indicative Offer Price of HK\$6.45 per Offer Share (which is the mid-point of the Offer Price Range), the full payment of the discretionary incentive fee and the exercise of the Offer Size Adjustment Option and the Over-allotment Option in full) will be approximately HK\$92.8 million.

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## UNDERWRITING

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The aggregate underwriting commissions and fees together with the Stock Exchange listing fees, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee, legal and other professional fees and printing and all other expenses relating to the Global Offering are estimated to be approximately HK\$125.3 million (assuming an indicative Offer Price of HK\$6.45 per Offer Share (which is the mid-point of the Offer Price Range), the full payment of the discretionary incentive fee and the exercise of the Offer Size Adjustment Option and the Over-allotment Option in full) and will be paid by our Company.

### Indemnity

Our Company has agreed to indemnify the Hong Kong Underwriters for certain losses which they may suffer or incur, including losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by our Company of the Hong Kong Underwriting Agreement.

### Undertakings by other Existing Shareholders

Other than the Controlling Shareholders, each of the other existing Shareholders of the Company has entered into a deed of lock-up undertaking (the “**Lock-up Undertakings**”) in favor of the Company, the Joint Sponsors, the Sponsor-Overall Coordinators and the Joint Global Coordinators (for themselves and on behalf of each of the Underwriters) imposing certain restrictions on dealings with their respective Shares.

Pursuant to the Lock-up Undertakings, each of the other existing Shareholders undertakes that, inter alia, it will not and, will procure that its affiliates will not, without the prior written consent of the Company, the Joint Sponsors, the Sponsor-Overall Coordinators and the Joint Global Coordinators at any time during the period commencing on the date hereof and ending on, and including, the date that is six months immediately after the Listing Date (the “**Lock-up Period**”):

- (a) offer, pledge, charge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend, make any short sale or otherwise transfer or dispose of (nor enter into any agreement to transfer or dispose of or otherwise create any options, rights, interests or encumbrances in respect of), either directly or indirectly, conditionally or unconditionally, the Shares or other securities of the Company or any interest therein (including, but not limited to any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, any such capital or securities or any interest therein owned directly by the existing Shareholders as of the date hereof or with respect to which the existing Shareholders has beneficial ownership) (collectively, the “**Lock-up Shares**”);

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## UNDERWRITING

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- (b) enter into any hedging, swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-up Shares or any interest in any of the foregoing (including without limitation, any securities convertible into or exchangeable or exercisable for or that present the right to receive, or any warrants or other rights to purchase, any Lock-up Shares);
- (c) enter into any transaction with the same economic effect as any transaction described in (a) or (b) above; or
- (d) offer to or agree to or announce any intention to effect any transaction described in (a) or (b) or (c) above, in each case, whether any such transaction described in (a) or (b) or (c) above is to be settled by delivery of Lock-up Shares or in cash or otherwise.

The restrictions in the Lock-up Undertakings shall not apply to, among others, (i) sale of any Shares acquired by the existing Shareholders on or after the Listing Date, or (ii) any transfer of the Lock-Up Shares during the Lock-up Period to any individual or entity which directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with the existing Shareholder provided that the prior to such transfer, such entity shall obtain a written consent from the Company, the Joint Sponsors, the Sponsor-Overall Coordinators and the Joint Global Coordinators and the existing Shareholder undertakes to procure that such entity will be bound by the undertaking.

### ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the “**Syndicate Members**”) and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their various business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of our Company and/or persons and entities with relationships with our Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with the Group’s loans and other debt.

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## UNDERWRITING

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In relation to the Shares, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the Shares (which financing may be secured by the Shares) in the Global Offering, proprietary trading in the Shares, and entering into over the counter or listed derivative transactions or listed or unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the Shares. Such transactions may be carried out as bilateral agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the Shares, which may have a negative impact on the trading price of the Shares. All such activities could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the stock exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the Shares in most cases.

All such activities may occur both during and after the end of the stabilizing period described in “Structure of the Global Offering.” Such activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares and the volatility of the price of the Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

- (a) the Syndicate Members (other than the Stabilizing Manager or any person acting for it) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and
- (b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking and other services to our Company and each of its affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

In addition, the Syndicate Members or their respective affiliates may provide financing to investors to finance their subscriptions of Offer Shares in the Global Offering.

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## STRUCTURE OF THE GLOBAL OFFERING

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### THE GLOBAL OFFERING

This Prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering.

The listing of the Shares on the Main Board of the Stock Exchange is sponsored by the Joint Sponsors. The Joint Sponsors have made an application on behalf of our Company to the Stock Exchange for the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this Prospectus.

240,570,000 Offer Shares will initially be made available under the Global Offering comprising:

- (a) the Hong Kong Public Offering of initially 24,057,200 Shares (subject to reallocation and the Offer Size Adjustment Option) in Hong Kong as described in “— The Hong Kong Public Offering” below; and
- (b) the International Offering of initially 216,512,800 Shares (subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option) (i) in the United States solely to QIBs in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirement of the U.S. Securities Act and (ii) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, as described in “— The International Offering” below.

Investors may either (i) apply for Hong Kong Offer Shares under the Hong Kong Public Offering; or (ii) apply for or indicate an interest for International Offer Shares under the International Offering, but may not do both.

The Offer Shares will represent approximately 8.7% of the enlarged issued share capital of our Company immediately following the completion of the Global Offering, assuming the Offer Size Adjustment Option and Over-allotment Option are not exercised. If the Offer Size Adjustment Option and the Over-allotment Option is exercised in full, the Offer Shares will represent approximately 12.5% of the enlarged issued share capital of our Company immediately following the completion of the Global Offering.

References in this Prospectus to applications, application monies or the procedure for applications relate solely to the Hong Kong Public Offering.

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## STRUCTURE OF THE GLOBAL OFFERING

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### THE HONG KONG PUBLIC OFFERING

#### Number of Offer Shares initially offered

Our Company is initially offering 24,057,200 Offer Shares for subscription by the public in Hong Kong at the Offer Price, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering. The number of Offer Shares initially offered under the Hong Kong Public Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 0.87% of the enlarged issued share capital of our Company immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and Over-allotment Option are not exercised).

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions set out in “— Conditions of the Global Offering” below.

#### Allocation

Allocation of Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which could mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of Hong Kong Offer Shares available under the Hong Kong Public Offering (after taking into account any reallocation referred to below) will be divided equally (to the nearest board lot) into two pools: pool A and pool B (with any odd lot being allocated to pool A). The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of more than HK\$5 million (excluding the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable) and up to the total value in pool B.

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## STRUCTURE OF THE GLOBAL OFFERING

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Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If any Hong Kong Offer Shares in one (but not both) of the pools are unsubscribed, such unsubscribed Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of the immediately preceding paragraph only, the “price” for Hong Kong Offer Shares means the price payable on application therefor (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B and not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 12,028,400 Hong Kong Offer Shares is liable to be rejected.

### **Reallocation**

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Overall Coordinators. If the Hong Kong Public Offering is not fully subscribed, the Overall Coordinators will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as they deem appropriate.

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Overall Coordinators deem appropriate. In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering in the circumstances where (a) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed, or (b) the International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed, the Overall Coordinators may, at their sole and absolute discretion, reallocate the Offer Shares initially allocated for the International Offering to the Hong Kong Public Offering to satisfy the Over-Subscription, provided that the total number of Hong Kong Offer Shares available under the Hong Kong Public Offering shall not be increased to more than 36,085,200 Offer Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option or the Offer Size Adjustment Option) and the final Offer Price shall be fixed at the bottom end of the indicative price range (i.e. HK\$5.95 per Offer Share) in accordance with Chapter 4.14 of the Guide for New Listing Applicants. In the circumstances where the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are undersubscribed, there will be no reallocation from the International Offering to the Hong Kong Public Offering, and no over-allocation of Shares to the Hong Kong Public Offering.

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## STRUCTURE OF THE GLOBAL OFFERING

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Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows the provision of Paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback mechanism is required to increase the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering.

Details of any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering will be disclosed in the results announcement of the Global Offering, which is expected to be published on Tuesday, December 16, 2025.

Where the International Offer Shares are undersubscribed, if the Hong Kong Offer Shares are also undersubscribed, the Global Offering will not proceed unless the Underwriters would subscribe or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Global Offering on the terms and conditions of this Prospectus and the Underwriting Agreements.

### **Applications**

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application has not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offer Shares under the International Offering. Such applicant's application under the International Offering is liable to be rejected if such undertaking and/or confirmation is/are breached and/or untrue (as the case may be).

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK\$6.95 per Offer Share in addition to the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable on each Offer Share, amounting to a total of HK\$2,808.04 for one board lot of 400 Offer Shares. If the Offer Price, as finally determined in the manner described in “— Pricing and Allocation” below, is less than the maximum Offer Price of HK\$6.95 per Offer Share, appropriate refund payments (including the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants (subject to application channels), without interest. Further details are set out in “How to Apply for Hong Kong Offer Shares.”

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## STRUCTURE OF THE GLOBAL OFFERING

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### THE INTERNATIONAL OFFERING

#### Number of Offer Shares initially offered

The International Offering will consist of an initial offering of 216,512,800 Offer Shares offered by our Company, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering (subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option). The number of Offer Shares initially offered under the International Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 7.83% of the enlarged issued share capital of our Company immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

#### Allocation

The International Offering will include selective marketing of Offer Shares to QIBs in the United States as well as institutional and professional investors and other investors anticipated to have a sizeable demand for such Offer Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities. Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the “book-building” process described in “— Pricing and Allocation” below and based on a number of factors, including the level and timing of demand, the total size of the relevant investor’s invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Shares and/or hold or sell its Shares after the Listing. Such allocation is intended to result in a distribution of the Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Group and the Shareholders as a whole.

The Overall Coordinators (for themselves and on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Overall Coordinators so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any allocation of Offer Shares under the International Offering.

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## STRUCTURE OF THE GLOBAL OFFERING

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### Reallocation

The total number of Offer Shares to be issued pursuant to the International Offering may change as a result of the reallocation arrangement described in “— The Hong Kong Public Offering — Reallocation” above, the exercise of the Offer Size Adjustment Option and the Over-allotment Option in whole or in part and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering.

### OFFER SIZE ADJUSTMENT OPTION

In order to provide the Company with the flexibility to increase the number of Offer Shares available under the Global Offering to cover additional demand, the Company has an Offer Size Adjustment Option which will allow the Company to issue up to 72,170,800 additional Offer Shares (representing approximately 30.0% of the Offer Shares initially being offered under the Global Offering) (the “**Offer Size Adjustment Option Shares**”) at the Offer Price. The Offer Size Adjustment Option is contained in the Hong Kong Underwriting Agreement and is expected to be contained in the International Underwriting Agreement and is exercisable by the Company with the prior agreement between the Company and the Overall Coordinators on or before the time of the execution of the Price Determination Agreement. If it is not exercised by such time, then the Offer Size Adjustment Option will lapse.

In considering whether to exercise the Offer Size Adjustment Option, the Company and the Overall Coordinators will take into account a number of factors, including, among other things:

- i. whether the level of interest expressed by prospective professional and institutional investors during the book-building process under the International Offering is sufficient to cover:
  - a. the total number of Offer Shares, which represents the aggregate of the Offer Shares initially available under the Global Offering and the additional Offer Shares upon any exercise of the Offer Size Adjustment Option; and
  - b. the corresponding number of Shares under the Over-allotment Option;
- ii. the prices at which prospective professional and institutional investors have indicated they would be prepared to acquire the Offer Shares in the course of the book-building process;
- iii. the quality of investors, with a view to establishing a solid professional institutional and investor shareholder base to the benefit of the Company and its Shareholders as a whole;
- iv. the level of subscriptions by the valid applications in the Hong Kong Public Offering; and
- v. general market conditions.

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## STRUCTURE OF THE GLOBAL OFFERING

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These Offer Size Adjustment Option Shares, if any, will be allocated in such manner as closely as practicable to maintain the proportionality between the Hong Kong Public Offering and the International Offering and the Overall Coordinators shall allocate additional Shares to be offered by the Company pursuant to the International Offering to the Hong Kong Public Offering in order to maintain such proportionality and the relevant number of Offer Size Adjustment Option Shares shall be allocated to the International Offering to maintain such proportionality, i.e., the initial proportion of 10.0%:90.0% between the Hong Kong Public Offering and the International Offering. For the avoidance of doubt, the exercise of the Offer Size Adjustment Option will not be subject to the reallocation arrangement described in “— The Hong Kong Public Offering — Reallocation” and such proportionality between the Hong Kong Public Offering and the International Offering for the Offer Size Adjustment Option Shares will be maintained.

If the Offer Size Adjustment Option is exercised in full, the additional Offer Shares to be issued pursuant thereto will represent approximately 2.54% of our enlarged issued share capital immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised). The dilution effect of the Offer Size Adjustment Option (assuming the Over-allotment Option is not exercised) is set out below:

Number of Shares issued under the Global Offering before the exercise of the Offer Size Adjustment Option	Approximate percentage of total issued share capital of the Offer Shares initially offered before the exercise of the Offer Size Adjustment Option	Number of Shares issued under the Global Offering after the full exercise of the Offer Size Adjustment Option	Approximate percentage of total issued share capital of the Offer Shares initially offered after the full exercise of the Offer Size Adjustment Option
240,570,000	8.70%	312,740,800	11.02%

The Offer Size Adjustment Option will not be associated with any price stabilization activities of the Shares in the secondary market after the listing of our Shares on the Stock Exchange and will not be subject to the Securities and Futures (Price Stabilizing) Rules of the SFO (Chapter 571W of the Laws of Hong Kong). The Offer Size Adjustment Option will be in addition to the Over-allotment Option.

If the Offer Size Adjustment Option is exercised in full, the additional net proceeds received from the placing of the additional Shares allotted and issued will be allocated in accordance with the allocations as disclosed in the section headed “Future Plans and Use of Proceeds” in this prospectus, on a pro rata basis.

Our Company will disclose in the allotment results announcement whether and to what extent the Offer Size Adjustment Option has been exercised, and will confirm in the announcement that, where the Offer Size Adjustment Option had not been exercised by then, the Offer Size Adjustment Option has lapsed and cannot be exercised on any future date.

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## STRUCTURE OF THE GLOBAL OFFERING

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### OVER-ALLOTMENT OPTION

In connection with the Global Offering, our Company is expected to grant the Over-allotment Option to the International Underwriters, exercisable by the Overall Coordinators (on behalf of the International Underwriters).

Pursuant to the Over-allotment Option, the International Underwriters will have the right, exercisable by the Overall Coordinators (on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, to require our Company to issue up to an aggregate of 36,085,200 additional Offer Shares (representing in aggregate approximately 15% of the Offer Shares initially being offered under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all) or up to 46,910,800 additional Shares (representing in aggregate approximately 15% of the Offer Shares initially being offered under the Global Offering assuming the Offer Size Adjustment Option is exercised in full), at the Offer Price under the International Offering to, among other things, cover over-allocations in the International Offering, if any.

If the Over-allotment Option is exercised in full, the additional Offer Shares to be issued pursuant thereto will represent approximately 1.3% (assuming the Offer Size Adjustment Option is not exercised) of the enlarged issued share capital of our Company immediately following the completion of the Global Offering. If the Over-allotment Option is exercised, an announcement will be made.

### STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market during a specified period of time, to retard and, if possible, prevent a decline in the initial public market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager (or any person acting for it), on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager (or any person acting for it) to conduct any such stabilizing action. Such stabilizing action, if taken, (a) will be conducted at the absolute discretion of the Stabilizing Manager (or any person acting for it) and in what the Stabilizing Manager (or any person acting for it) reasonably regards as the best interest of our Company, (b) may be discontinued at any time and (c) is required to be brought to an end within 30 days after the last day for lodging applications under the Hong Kong Public Offering.

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## STRUCTURE OF THE GLOBAL OFFERING

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Stabilization action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilizing) Rules of the SFO includes (a) over-allocating for the purpose of preventing or minimizing any reduction in the market price of the Shares, (b) selling or agreeing to sell the Shares so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of the Shares, (c) purchasing, or agreeing to purchase, the Shares pursuant to the Offer Size Adjustment Option and the Over-allotment Option in order to close out any position established under paragraph (a) or (b) above, (d) purchasing, or agreeing to purchase, any of the Shares for the sole purpose of preventing or minimizing any reduction in the market price of the Shares, (e) selling or agreeing to sell any Shares in order to liquidate any position established as a result of those purchases and (f) offering or attempting to do anything as described in paragraph (b), (c), (d) or (e) above.

Specifically, prospective applicants for and investors in the Offer Shares should note that:

- (a) the Stabilizing Manager (or any person acting for it) may, in connection with the stabilizing action, maintain a long position in the Shares;
- (b) there is no certainty as to the extent to which and the time or period for which the Stabilizing Manager (or any person acting for it) will maintain such a long position;
- (c) liquidation of any such long position by the Stabilizing Manager (or any person acting for it) and selling in the open market may have an adverse impact on the market price of the Shares;
- (d) no stabilizing action can be taken to support the price of the Shares for longer than the stabilization period, which will begin on the Listing Date, and is expected to expire on Sunday, January 11, 2026, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. After this date, when no further stabilizing action may be taken, demand for the Shares, and therefore the price of the Shares, could fall;
- (e) the price of the Shares cannot be assured to stay at or above the Offer Price by the taking of any stabilizing action; and
- (f) stabilizing bids or transactions effected in the course of the stabilizing action may be made at any price at or below the Offer Price and can, therefore, be done at a price below the price paid by applicants for, or investors in, the Offer Shares.

Our Company will ensure or procure that an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules of the SFO will be made within seven days of the expiration of the stabilization period.

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## STRUCTURE OF THE GLOBAL OFFERING

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### Over-Allocation

Following any over-allocation of the Shares in connection with the Global Offering, the Stabilizing Manager (or any person acting for it) may cover such over-allocations by, among other methods, exercising the Over-allotment Option in full or in part, by using the Shares purchased by the Stabilizing Manager (or any person acting for it) in the secondary market at prices that do not exceed the Offer Price or a combination of these means.

### STOCK BORROWING AGREEMENT

In order to facilitate the settlement of over-allocations, if any, in connection with the Global Offering, J.P. Morgan Securities plc may choose to borrow up to 46,910,800 Shares (being the maximum number of Shares which may be issued pursuant to the Stock Borrowing Agreement), which is expected to be entered into between J.P. Morgan Securities plc and XChainX Limited on or about the Price Determination Date.

The same number of Shares so borrowed must be returned to XChainX Limited or their nominees, as the case may be, on or before the fifth business day following the earlier of (a) the last day on which the Over-allotment Option may be exercised and (b) the day on which the Over-allotment Option is exercised in full.

The Shares borrowing arrangement described above will be effected in compliance with all applicable laws, rules and regulatory requirements. No payment will be made to XChainX Limited by J.P. Morgan Securities plc in relation to such Shares borrowing arrangement.

### PRICING AND ALLOCATION

Pricing for the Offer Shares for the purpose of the various offerings under the Global Offering will be fixed on the Price Determination Date, which is expected to be on or about Monday, December 15, 2025 and, in any event, no later than 12:00 noon on Monday, December 15, 2025 by agreement between the Overall Coordinators (on behalf of the Underwriters), and our Company, and the number of Offer Shares to be allocated under the various offerings will be determined shortly thereafter.

The Offer Price will not be more than HK\$6.95 per Offer Share and is expected to be not less than HK\$5.95 per Offer Share, unless otherwise announced, as further explained below. Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK\$6.95 per Offer Share plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%, amounting to a total of HK\$2,808.04 for one board lot of 400 Shares. **Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the minimum Offer Price stated in this Prospectus.**

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## STRUCTURE OF THE GLOBAL OFFERING

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The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as “book-building”, is expected to continue up to, and to cease on or about, the last day for lodging applications under the Hong Kong Public Offering.

The Overall Coordinators (for themselves and on behalf of the Underwriters) may, where they deem appropriate, based on the level of interest expressed by prospective investors during the book-building process in respect of the International Offering, and with the consent of our Company, reduce the number of Offer Shares offered and/or the Offer Price Range below as stated in this Prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, our Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, cause to be published on the websites of our Company and the Stock Exchange at <https://group.hashkey.com> and [www.hkexnews.hk](http://www.hkexnews.hk), respectively, notices of the reduction, the cancellation of the Global Offering and the relaunch of the Global Offering at the revised number of Offer Shares and/or the revised Offer Price. This notice will also include confirmation or revision, as appropriate, of the working capital statement and the Global Offering statistics as set out in this prospectus, as well as any other financial information which may change as a result of the reduction. We will, as soon as practicable following the decision to make the reduction, in addition to publishing the notice, issue a supplemental prospectus containing details in relation to the change in the number of Offer Shares being offered and/or the Offer Price Range. The Global Offering will be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus. Such notices and supplemental prospectus shall also include confirmation or revision, as appropriate, of the Global Offering statistics as currently set forth in the section headed “Summary” in this Prospectus and other financial information which may change as a result of such reduction. Upon issue of such notices and the supplemental prospectus, the revised number of Offer Shares and/or the revised Offer Price range will be final and conclusive and the offer price, if agreed upon by the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, will be fixed within such revised Offer Price range.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the Offer Price Range may not be made until the last day for lodging applications under the Hong Kong Public Offering. Such notice will also include confirmation or revision, as appropriate, of the working capital statement and the Global Offering statistics as currently set out in the section headed “Summary” in this Prospectus, and any other financial information which may change as a result of any such reduction. In the absence of any such notice so published, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon by the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, will under no circumstances be set outside the Offer Price Range as stated in this Prospectus.

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## STRUCTURE OF THE GLOBAL OFFERING

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The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering, the basis of allocations of the Hong Kong Offer Shares and the results of allocations in the Hong Kong Public Offering are expected to be made available through a variety of channels in the manner described in “How to Apply for Hong Kong Offer Shares — B. Publication of Results.”

### UNDERWRITING

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement and is subject to, among other things, the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company agreeing on the Offer Price.

Our Company expects to enter into the International Underwriting Agreement relating to the International Offering on or around the Price Determination Date.

These underwriting arrangements, including the Underwriting Agreements, are summarized in the section headed “Underwriting” in this Prospectus.

### CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares will be conditional on:

- the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares to be issued as mentioned in this Prospectus, on the Main Board of the Stock Exchange and such approval not subsequently having been withdrawn or revoked prior to the Listing Date;
- the pricing of the Offer Shares having been agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company;
- the execution and delivery of the International Underwriting Agreement on or around the Price Determination Date; and
- the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Underwriting Agreement becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the respective Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and, in any event, not later than the date which is 30 days after the date of this Prospectus.

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## STRUCTURE OF THE GLOBAL OFFERING

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If, for any reason, the Offer Price is not agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company on or before 12:00 noon on Monday, December 15, 2025, the Global Offering will not proceed and will lapse.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the dates and times specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published by our Company on the websites of our Company and the Stock Exchange at <https://group.hashkey.com> and [www.hkexnews.hk](http://www.hkexnews.hk), respectively, on the next day following such lapse. In such a situation, all application monies will be returned, without interest, on the terms set out in “How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of Share Certificates and Refund of Application Monies.” In the meantime, all application monies will be held in separate bank account(s) with the receiving bank or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

Share certificates for the Offer Shares will only become valid at 8:00 a.m. on Wednesday, December 17, 2025, provided that the Global Offering has become unconditional in all respects at or before that time.

### DEALINGS IN THE SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Wednesday, December 17, 2025, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Wednesday, December 17, 2025.

The Shares will be traded in board lots of 400 Shares each and the stock code of the Shares will be 3887.

### NOTICE TO CAPITAL MARKET INTERMEDIARIES AND PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE SFC CODE OF CONDUCT

#### Important Notice to CMI (including private banks)

This notice to CMI (including private banks) is a summary of certain obligations the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “Code”) imposes on CMI, which require the attention and cooperation of other CMI (including private banks). Certain CMI may also be acting as the Joint Overall Coordinators for this offering and is subject to additional requirements under the Code.

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## STRUCTURE OF THE GLOBAL OFFERING

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Paragraph 21.3.3(c) of the Code requires that a CMI should take all reasonable steps to identify whether investors may have any associations with our Company and provide sufficient information to the Joint Overall Coordinators to enable it to assess whether orders placed by these investors may negatively impact the price discovery process.

Prospective investors who are the directors, employees or major shareholders of our Company, a CMI or its group companies would be considered under the Code as having an association (the “Association”) with our Company, the CMI or the relevant group company (as the case may be). CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Offer Shares. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with our Company or any CMI (including its group companies) and inform the Underwriters accordingly.

Prospective investors to whom the allocation of Offer Shares will be subject to restrictions or require prior consent from the Stock Exchange under the Listing Rules and other regulatory requirements or guidance issued by the Stock Exchange from time to time (the “**Stock Exchange Requirements**”) (e.g. a connected person of a listed issuer) would be considered as “Restricted Investors.” Offer Shares may only be allocated to Restricted Investors in accordance with applicable Stock Exchange Requirements.

CMIs should specifically disclose whether their investor clients are Restricted Investors when submitting orders for the Offer Shares. CMIs are informed that the marketing and investor targeting strategy for this offering includes institutional investors, long-only investors, sovereign wealth funds, pension funds, hedge funds, in each case, subject to the applicable Stock Exchange Requirements (in the case of a Stock Exchange listed issuer) and selling restrictions set out elsewhere in this Prospectus. CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should inquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Offer Shares (except for omnibus orders where underlying investor information should be provided to the Joint Overall Coordinators when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place “X-orders” into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by our Company. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Offer Shares.

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## STRUCTURE OF THE GLOBAL OFFERING

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The Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Underwriters in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Offer Shares, private banks should disclose, at the same time, if such order is placed other than on a “principal” basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a “principal” basis. Private banks who disclose that they are placing their order other than on a “principal” basis (i.e. they are acting as an agent) should note that such order may be considered to be an omnibus order pursuant to the Code. Private banks should be aware that if any of their group companies is a CMI of this offering, placing an order on a “principal” basis may require the Underwriters to apply the “proprietary orders” of the Code to such order and will require the Underwriters to apply the “rebates” requirements of the Code to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) are requested to provide the underlying investor information, preferably in Excel Workbook format, in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to the Joint Overall Coordinators; (B) that they have obtained the necessary consents from the underlying investors to disclose such information to the Joint Overall Coordinators. By submitting an order and providing such information to the Joint Overall Coordinators, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by the Joint Overall Coordinators and/or any other third parties as may be required by the Code, including to our Company, relevant regulators and/or any other third parties as may be required by the Code, for the purpose of complying with the Code, during the book-building process for this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The Underwriters may be asked to demonstrate compliance with their obligations under the Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Underwriter with such evidence within the timeline requested.

### **Important Notice to Prospective Investors**

Prospective investors should be aware that certain intermediaries in the context of this offering of the Offer Shares, including certain Underwriters, are CMIs subject to Paragraph 21 of the Code. This notice to prospective investors is a summary of certain obligations the Code

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## STRUCTURE OF THE GLOBAL OFFERING

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imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as the Joint Overall Coordinators for this offering and is subject to additional requirements under the Code.

Prospective investors who are the directors, employees or major shareholders of our Company, a CMI or its group companies would be considered under the Code as having an Association with our Company, the CMI or the relevant group company (as the case may be). Prospective investors associated with our Company or any CMI (including its group companies) should specifically disclose this when placing an order for the Offer Shares and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors to whom the allocation of Offer Shares will be subject to restrictions or require prior consent from the Stock Exchange under the Stock Exchange Requirements (e.g. a connected person of a listed issuer) would be considered as “Restricted Investors.” Offer Shares may only be allocated to Restricted Investors in accordance with applicable Stock Exchange Requirements. Prospective investors who are Restricted Investors should specifically disclose whether they are Restricted Investors when placing an order for the Offer Shares. Prospective investors who do not disclose they are Restricted Investors are hereby deemed not to be Restricted Investors.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Underwriter, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Underwriter or its group company has more than 50% interest, in which case it will be classified as a “proprietary order” and subject to appropriate handling by CMIs in accordance with the Code and should disclose, at the same time, if such “proprietary order” may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a “proprietary order.” If a prospective investor is otherwise affiliated with any Underwriter, such that its order may be considered to be a “proprietary order” (pursuant to the Code), such prospective investor should indicate to the relevant Underwriter when placing such order and such orders will be subject to applicable requirements in accordance with the Code. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a “proprietary order.” Where prospective investors disclose such information but do not disclose that such “proprietary order” may negatively impact the price discovery process in relation to this offering, such “proprietary order” is hereby deemed not to negatively impact the price discovery process in relation to this offering.

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## STRUCTURE OF THE GLOBAL OFFERING

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Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Underwriters and/or any other third parties as may be required by the Code, including to our Company, the Joint Overall Coordinators, relevant regulators and/or any other third parties as may be required by the Code, it being understood and agreed that such information shall only be used for the purpose of complying with the Code, during the book-building process for this offering. Failure to provide such information may result in that order being rejected.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

#### FULLY ELECTRONIC APPLICATION PROCESS

**Our Company has adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.**

**This Prospectus is available at the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) under the “HKEXnews > New Listings > New Listing Information” section, and our Company’s website at <https://group.hashkey.com>.**

The contents of this Prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

#### A. APPLICATION FOR HONG KONG OFFER SHARES

##### 1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older; and
- have a Hong Kong address (*for the **HK eIPO White Form** service only*); and
- are outside the United States (within the meaning of Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S.

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to us, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or close associates;
- are a Director or chief executive of our Company and/or a director or chief executive of any of its subsidiaries;
- are a close associate (as defined in the Listing Rules) of any of the above persons;

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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- are a connected person (as defined in the Listing Rules) of our Company or will become a connected person of our Company immediately upon the completion of the Global Offering; or
- have been allocated or have applied for or indicated an interest in any International Offer Shares or otherwise participate in the International Offering.

### 2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Tuesday, December 9, 2025 and end at 12:00 noon on Friday, December 12, 2025 (Hong Kong time).

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

<u>Application Channel</u>	<u>Platform</u>	<u>Target Investors</u>	<u>Application Time</u>
<b>HK eIPO White Form service . .</b>	<b><u><a href="http://www.hkeipo.hk">www.hkeipo.hk</a></u></b>	Investors who would like to receive a physical Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Tuesday, December 9, 2025 to 11:30 a.m. on Friday, December 12, 2025, Hong Kong time.  The latest time for completing full payment of application monies will be 12:00 noon on Friday, December 12, 2025, Hong Kong time.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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Application Channel	Platform	Target Investors	Application Time
<b>HKSCC EIPO channel . . . . .</b>	Your broker or custodian who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction	Investors who would <u>not</u> like to receive a physical Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **HK eIPO White Form** service and the **HKSCC EIPO** channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the electronic application instructions are given, you shall be deemed to have declared that only one set of electronic application instructions has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of electronic application instructions for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different payment reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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If you apply through the **HK eIPO White Form** service, you are deemed to have authorized the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this Prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this Prospectus and any supplement to it.

For those applying through the **HKSCC EIPO** channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this Prospectus.

### *Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance*

For the avoidance of doubt, our Company and all other parties involved in the preparation of this Prospectus acknowledge that each applicant who gives or causes to give electronic application instructions is a person who may be entitled to compensation under section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### 2. Information Required to Apply

You must provide the following information with your application:

For Individual Applicants	For Corporate Applicants
<ul style="list-style-type: none"> <li>• Full name(s)<sup>2</sup> as shown on your identity document</li> <li>• Identity document’s issuing country or jurisdiction</li> <li>• Identity document type, with order of priority:               <ul style="list-style-type: none"> <li>i. HKID card; or</li> <li>ii. National identification document; or</li> <li>iii. Passport; and</li> </ul> </li> <li>• Identity document number</li> </ul>	<ul style="list-style-type: none"> <li>• Full name(s)<sup>2</sup> as shown on your identity document</li> <li>• Identity document’s issuing country or jurisdiction</li> <li>• Identity document type, with order of priority:               <ul style="list-style-type: none"> <li>i. LEI registration document; or</li> <li>ii. Certificate of incorporation; or</li> <li>iii. Business registration certificate; or</li> <li>iv. Other equivalent document; and</li> </ul> </li> <li>• Identity document number</li> </ul>

*Notes:*

1. If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong Address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members’ names.
2. The applicant’s full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant’s identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant’s identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for shares in a public offer. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.
3. If the applicant is a trustee, the client identification data (“**CID**”) of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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4. The maximum number of joint account holders on FINI is capped at 4<sup>1</sup> in accordance with market practice.
5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.
6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

“Unlisted company” means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

“Statutory control” means you:

- control the composition of the board of directors of our Company;
- control more than half of the voting power of our Company; or
- hold more than half of the issued share capital of our Company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through the **HKSCC EIPO** channel, and making an application under a power of attorney, our Company and the Overall Coordinators, as our Company's agent, have discretion to consider whether to accept it on any conditions our Company thinks fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

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<sup>1</sup> Subject to change, if our Company's Articles of Association and applicable company law prescribe a lower cap.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### 3. Permitted Number of Hong Kong Offer Shares for Application

Board lot size . . . . . : 400

**Permitted number of Hong Kong Offer Shares for application and amount payable on application/successful allotment . . . . .** : Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below.

The maximum Offer Price is HK\$6.95 per Share.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application, in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the final Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the Designated Bank for your broker or custodian.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

## HOW TO APPLY FOR HONG KONG OFFER SHARES

No. of Hong Kong Offer Shares applied for	Maximum Amount payable <sup>(2)</sup> on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable <sup>(2)</sup> on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable <sup>(2)</sup> on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable <sup>(2)</sup> on application/ successful allotment
	<i>HK\$</i>		<i>HK\$</i>		<i>HK\$</i>		<i>HK\$</i>
400	2,808.04	10,000	70,200.91	90,000	631,808.17	3,000,000	21,060,272.26
800	5,616.07	12,000	84,241.09	100,000	702,009.08	4,000,000	28,080,363.00
1,200	8,424.11	14,000	98,281.28	200,000	1,404,018.16	5,000,000	35,100,453.76
1,600	11,232.15	16,000	112,321.45	300,000	2,106,027.23	6,000,000	42,120,544.50
2,000	14,040.19	18,000	126,361.64	400,000	2,808,036.30	7,000,000	49,140,635.26
2,400	16,848.22	20,000	140,401.81	500,000	3,510,045.38	8,000,000	56,160,726.00
2,800	19,656.26	30,000	210,602.72	600,000	4,212,054.46	9,000,000	63,180,816.76
3,200	22,464.29	40,000	280,803.64	700,000	4,914,063.53	10,000,000	70,200,907.50
3,600	25,272.33	50,000	351,004.53	800,000	5,616,072.60	12,028,400 <sup>(1)</sup>	84,440,459.58
4,000	28,080.36	60,000	421,205.45	900,000	6,318,081.68		
6,000	42,120.55	70,000	491,406.36	1,000,000	7,020,090.76		
8,000	56,160.72	80,000	561,607.25	2,000,000	14,040,181.50		

- (1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.
- (2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

#### 4. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed “— A. Application for Hong Kong Offer Shares — 2. Information Required to Apply” in this section. If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) **HKSCC EIPO** channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply further for any Offer Shares in the Global Offering.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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The Hong Kong Share Registrar would record all applications into its system and identify suspected multiple applications with identical names and identification document numbers according to the Best Practice Note on Treatment of Multiple/Suspected Multiple Applications (“**Best Practice Note**”) issued by the Federation of Share Registrars Limited.

Since applications are subject to personal information collection statements, identification document numbers displayed are redacted.

### 5. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

- (i) undertake to execute all relevant documents and instruct and authorise our Company and/or the Overall Coordinators, as our Company’s agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the **HKSCC EIPO** channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant’s stock account on your behalf;
- (ii) confirm that you have read and understand the terms and conditions and application procedures set out in this Prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;
- (iii) (if you are applying through the **HKSCC EIPO** channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;
- (iv) confirm that you are aware of the restrictions on offers and sales of shares set out in this Prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;
- (v) confirm that you have read this Prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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- (vi) agree that our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Global Offering (the “**Relevant Persons**”), the Hong Kong Share Registrar and HKSCC will not be liable for any information and representations not in this Prospectus and any supplement to it;
- (vii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the Hong Kong Share Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under the paragraph headed “— *G. Personal Data* — 3. *Purposes* and 4. *Transfer of personal data*” in this section;
- (viii) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees’ application) has been accepted) that you will not rescind it because of an innocent misrepresentation;
- (ix) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the Hong Kong Share Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed “— *B. Publication of Results*” in this section;
- (x) confirm that you are aware of the situations specified in the paragraph headed “— *C. Circumstances In Which You Will Not Be Allocated Hong Kong Offer Shares*” in this section;
- (xi) agree that your application or HKSCC Nominees’ application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;
- (xii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this Prospectus;

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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- (xiii) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by our Company, any of the directors, chief executives, substantial Shareholder(s) or existing shareholder(s) of our Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from our Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of our Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in your name or otherwise held by you;
- (xiv) warrant that the information you have provided is true and accurate;
- (xv) confirm that you understand that we and the Overall Coordinators will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;
- (xvi) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;
- (xvii) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;
- (xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving electronic application instructions to HKSCC directly or indirectly or through the application channel of the **HK eIPO White Form** service or by any one as your agent or by any other person; and
- (xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving electronic application instructions to HKSCC and the **HK eIPO White Form** Service Provider and (2) you have due authority to give electronic application instructions on behalf of that other person as its agent.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### B. PUBLICATION OF RESULTS

#### Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

<u>Platform</u>	<u>Date/Time</u>
Applying through the <b>HK eIPO White Form</b> service or <b>HKSCC EIPO</b> channel:	
Website . . . From the “Allotment Results” page at <a href="http://www.hkeipo.hk/IPOResult">www.hkeipo.hk/IPOResult</a> (or <a href="http://www.tricor.com.hk/ipo/result">www.tricor.com.hk/ipo/result</a> ) with a “search by ID” function	24 hours, from 11:00 p.m. on Tuesday, December 16, 2025 to 12:00 midnight on Monday, December 22, 2025 (Hong Kong time)
The full list of (i) wholly or partially successful applicants using the <b>HK eIPO White Form</b> service and <b>HKSCC EIPO</b> channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at <a href="http://www.hkeipo.hk/IPOResult">www.hkeipo.hk/IPOResult</a> or <a href="http://www.tricor.com.hk/ipo/result">www.tricor.com.hk/ipo/result</a> .	
The Stock Exchange’s website at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> and Our Company’s website at <a href="https://group.hashkey.com">https://group.hashkey.com</a> which will provide links to the above mentioned websites of the Hong Kong Share Registrar.	No later than 11:00 p.m. on Tuesday, December 16, 2025 (Hong Kong time).
Telephone . . +852 3691 8488 — the allocation results telephone enquiry line provided by the Hong Kong Share Registrar	between 9:00 a.m. and 6:00 p.m., from Wednesday, December 17, 2025 to Monday, December 22, 2025 (Hong Kong time) on a business day

For those applying through the **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Monday, December 15, 2025 (Hong Kong time).

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Monday, December 15, 2025 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

### **Allocation Announcement**

Our Company expects to announce the results of the final Offer Price, the level of indications of interest in the Global Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and our Company's website at <https://group.hashkey.com> by no later than 11:00 p.m. on Tuesday, December 16, 2025 (Hong Kong time).

### **C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES**

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

**1. If your application is revoked:**

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

**2. If our Company or its agents exercise their discretion to reject your application:**

Our Company, the Overall Coordinators, the Hong Kong Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

**3. If the allocation of Hong Kong Offer Shares is void:**

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### 4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed “— A. Application for Hong Kong Offer Shares — 4. Multiple Applications Prohibited” in this section on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Overall Coordinators believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

### 5. If there is money settlement failure for allotted Shares:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their Designated Bank before balloting. After balloting of Hong Kong Offer Shares, the receiving bank will collect the portion of these funds required to settle each HKSCC Participant’s actual Hong Kong Offer Share allotment from their Designated Bank.

**There is a risk of money settlement failure.** In the extreme event of money settlement failure by a HKSCC Participant (or its Designated Bank), who is acting on your behalf in settling payment for your allotted Shares, HKSCC will contact the defaulting HKSCC Participant and its Designated Bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the International Offering. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the Hong Kong Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### D. DESPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the **HKSCC EIPO** channel where the Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the Shares. No receipt will be issued for sums paid on application.

Share certificates will only become valid at 8:00 a.m. on Wednesday, December 17, 2025 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in the section headed “Underwriting” has not been exercised. Investors who trade Shares prior to the receipt of Share certificates or the Share certificates becoming valid do so entirely at their own risk.

The right is reserved to retain any Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	<u>HK eIPO White Form service</u>	<u>HKSCC EIPO channel</u>
<b>Despatch/collection of Share certificate<sup>Note 1</sup></b>		
<b>For application of 1,000,000 Hong Kong Offer Shares or more . . .</b>	Collection in person at the Hong Kong Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong	Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant’s stock account
	<b>Time:</b> 9:00 a.m. to 1:00 p.m. on Wednesday, December 17, 2025 (Hong Kong time)	No action by you is required

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### HK eIPO White Form service

### HKSCC EIPO channel

If you are an individual, you must not authorize any other person to collect for you. If you are a corporate applicant, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop.

Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the Hong Kong Share Registrar.

**Note:** If you do not collect your Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk

**For application of  
less than 1,000,000  
Hong Kong  
Offer Shares . . . . .**

Your Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk

**Date:** Tuesday,  
December 16, 2025

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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	<u>HK eIPO White Form service</u>	<u>HKSCC EIPO channel</u>
<b>Refund mechanism for surplus application monies paid by you</b>		
<b>Date</b> . . . . .	Wednesday, December 17, 2025	Subject to the arrangement between you and your broker or custodian
<b>Responsible party</b> . . . . .	Hong Kong Share Registrar	Your broker or custodian
<b>Application monies paid through single bank account</b> . . . . .	<b>HK eIPO White Form</b> e-Auto Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
<b>Application monies paid through multiple bank accounts</b> . . . . .	Refund cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

*Note 1* Except in the event of a tropical cyclone warning signal number 8 or above, a black rainstorm warning and/or an “extreme conditions” announcement issued after a super typhoon in force in Hong Kong in the morning on Tuesday, December 16, 2025 rendering it impossible for the relevant Share certificates to be dispatched to HKSCC in a timely manner, our Company shall procure the Hong Kong Share Registrar to arrange for delivery of the supporting documents and Share certificates in accordance with the contingency arrangements as agreed between them. You may refer to “— E. Severe Weather Arrangements” in this section.

### E. SEVERE WEATHER ARRANGEMENTS

#### The Opening and Closing of the Application Lists

The application lists will not open or close on Friday, December 12, 2025 if, there is:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- an “extreme conditions” announcement issued after a super typhoon (“**Extreme Conditions**”),

(collectively, “**Severe Weather Signals**”),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Friday, December 12, 2025.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have Severe Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the listing date. Should there be any changes to the dates mentioned in the section headed “Expected Timetable” in this Prospectus, an announcement will be made and published on the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) and our Company’s website at <https://group.hashkey.com> of the revised timetable.

If a **Severe** Weather Signal is hoisted on Tuesday, December 16, 2025, the Hong Kong Share Registrar will make appropriate arrangements for the delivery of the Share certificates to the CCASS Depository’s service counter so that they would be available for trading on Wednesday, December 17, 2025.

If a **Severe** Weather Signal is hoisted on Tuesday, December 16, 2025, for application of less than 1,000,000 Hong Kong Offer Shares, the despatch of physical Share certificate(s) will be made by ordinary post when the post office re-opens after the **Severe** Weather Signal is lowered or cancelled (e.g. in the afternoon of Tuesday, December 16, 2025 or on Wednesday, December 17, 2025).

If a **Severe** Weather Signal is hoisted on Wednesday, December 17, 2025, for application of 1,000,000 Hong Kong Offer Shares or more, physical Share certificate(s) will be available for collection in person at the Hong Kong Share Registrar’s office after the **Severe** Weather Signal is lowered or cancelled (e.g. in the afternoon of Wednesday, December 17, 2025 or on Thursday, December 18, 2025).

**Prospective investors should be aware that if they choose to receive physical Share certificates issued in their own name, there may be a delay in receiving the Share certificates.**

### **F. ADMISSION OF THE SHARES INTO CCASS**

If the Stock Exchange grants the listing of, and permission to deal in, the Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the Shares to be admitted into CCASS. You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

### **G. PERSONAL DATA**

The following Personal Information Collection Statement applies to any personal data collected and held by our Company, the Hong Kong Share Registrar, the receiving bank and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agreed to all of the terms of the Personal Information Collection Statement below.

#### **1. Personal Information Collection Statement**

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of our Company and the Hong Kong Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

#### **2. Reasons for the collection of your personal data**

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to our Company or its agents and the Hong Kong Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the Hong Kong Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of our Company or the Hong Kong Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the despatch of Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform our Company and the Hong Kong Share Registrar immediately of any inaccuracies in the personal data supplied.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### 3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund cheque and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this Prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of the Shares including, where applicable, HKSCC Nominees;
- maintaining or updating the register of members of our Company;
- verifying identities of applicants for and holders of the Shares and identifying any duplicate applications for the Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from our Company and its subsidiaries;
- compiling statistical information and profiles of the holder of the Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable our Company and the Hong Kong Share Registrar to discharge their obligations to applicants and holders of the Shares and/or regulators and/or any other purposes to which applicants and holders of the Shares may from time to time agree.

### 4. Transfer of personal data

Personal data held by our Company and the Hong Kong Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but our Company and the Hong Kong Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- our Company's appointed agents such as financial advisers, receiving bank and overseas principal share registrar;

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the Hong Kong Share Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);
- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to our Company or the Hong Kong Share Registrar in connection with their respective business operation;
- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and
- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

### **5. Retention of personal data**

Our Company and the Hong Kong Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfil the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

### **6. Access to and correction of personal data**

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether our Company or the Hong Kong Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. Our Company and the Hong Kong Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to our Company and the Hong Kong Share Registrar, at their registered address disclosed in the section headed "Corporate information" in this Prospectus or as notified from time to time, for the attention of our Company secretary, or the Hong Kong Share Registrar for the attention of the privacy compliance officer.

*The following is the text of a report set out on pages I-1 to I-85, received from the Company's reporting accountants, KPMG, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.*



## **ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF HASHKEY HOLDINGS LIMITED, GUOTAI JUNAN CAPITAL LIMITED AND J.P. MORGAN SECURITIES (FAR EAST) LIMITED**

### **Introduction**

We report on the historical financial information of HashKey Holdings Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages I-4 to I-85, which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2022, 2023 and 2024 and 30 June 2025 and the consolidated statements of profit or loss, the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated cash flow statement for each of the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2025 (the “**Track Record Period**”), and material accounting policy information and other explanatory information (together, the “**Historical Financial Information**”). The Historical Financial Information set out on pages I-4 to I-85 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 9 December 2025 (the “**Prospectus**”) in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

### **Directors' responsibility for the Historical Financial Information**

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

### **Reporting accountants' responsibility**

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “Accountants' Reports on Historical Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

In our opinion, the Historical Financial Information gives, for the purpose of the accountants' report, a true and fair view of the Company's and the Group's financial position as at 31 December 2022, 2023 and 2024 and 30 June 2025 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information.

### **Review of stub period corresponding financial information**

We have reviewed the stub period corresponding financial information of the Group which comprises the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the six months ended 30 June 2024 and other explanatory information (the "**Stub Period Corresponding Financial Information**"). The directors of the Company are responsible for the preparation and presentation of the Stub Period Corresponding Financial Information in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Corresponding Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA. A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has

come to our attention that causes us to believe that the Stub Period Corresponding Financial Information, for the purpose of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information.

**Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Companies (Winding Up and Miscellaneous Provisions) Ordinance**

*Adjustments*

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

*Dividends*

We refer to Note 34(b) to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

*No statutory financial statements for the Company*

No statutory financial statements have been prepared for the Company since its incorporation.

**KPMG**

*Certified Public Accountants*

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

9 December 2025

**HISTORICAL FINANCIAL INFORMATION**

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by KPMG under separate terms of engagement with the Company in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

## CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(Expressed in Hong Kong dollars)

	Note	Year ended 31 December			Six months ended 30 June	
		2022	2023	2024	2024	2025
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
						(unaudited)
<b>Revenue</b> . . . . .	4	129,064	207,792	720,731	384,186	283,967
Cost of revenue . . . . .	5	(3,571)	(12,431)	(188,218)	(105,810)	(99,489)
<b>Gross profit</b> . . . . .		125,493	195,361	532,513	278,376	184,478
Other (loss)/gains, net . . .	6	(167,419)	8,265	39,908	(27,773)	(59,468)
Research and development expenses . . . . .		(247,185)	(324,065)	(556,661)	(258,397)	(225,232)
Sales and marketing expense . . . . .		(79,391)	(146,735)	(390,099)	(190,445)	(181,398)
General and administrative expenses . . . . .		(181,314)	(258,998)	(632,960)	(472,013)	(120,797)
<b>Loss from operations</b> . . .		(549,816)	(526,172)	(1,007,299)	(670,252)	(402,417)
Finance costs . . . . .	7(a)	(21,572)	(36,270)	(169,278)	(90,513)	(87,993)
Share of net loss from an associate . . . . .		(12,601)	(13,525)	(6,893)	(8,943)	(14,290)
<b>Loss before taxation</b> . . .	7	(583,989)	(575,967)	(1,183,470)	(769,708)	(504,700)
Income tax . . . . .	8	(1,205)	(3,985)	(6,137)	(2,901)	(2,046)
<b>Loss for the year/period</b> .		<u>(585,194)</u>	<u>(579,952)</u>	<u>(1,189,607)</u>	<u>(772,609)</u>	<u>(506,746)</u>
<b>Attributable to:</b>						
Equity shareholders of the Company . . . . .		(584,706)	(580,412)	(1,188,993)	(776,977)	(506,314)
Non-controlling interests .		(488)	460	(614)	4,368	(432)
<b>Loss for the year/period</b> .		<u>(585,194)</u>	<u>(579,952)</u>	<u>(1,189,607)</u>	<u>(772,609)</u>	<u>(506,746)</u>
<b>Loss per share</b>						
Basic and diluted (HK\$) . .	11	<u>HK\$(0.55)</u>	<u>HK\$(0.43)</u>	<u>HK\$(0.88)</u>	<u>HK\$(0.57)</u>	<u>HK\$(0.38)</u>

The accompanying notes form part of the Historical Financial Information.

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

(Expressed in Hong Kong dollars)

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
				(unaudited)	
<b>Loss for the year/period .</b>	<u>(585,194)</u>	<u>(579,952)</u>	<u>(1,189,607)</u>	<u>(772,609)</u>	<u>(506,746)</u>
<b>Other comprehensive income for the year/period</b>					
Items that will not be reclassified to profit or loss:					
– (Loss)/gain on revaluation of intangible assets – digital assets . . . . .	(191,847)	28,547	54,698	56,163	(34,271)
Items that are or may be reclassified subsequently to profit or loss:					
– exchange differences on translation . . . . .	<u>1,302</u>	<u>3,960</u>	<u>(3,199)</u>	<u>1,279</u>	<u>(1,822)</u>
<b>Other comprehensive income for the year/period, net of tax . . . . .</b>	<u>(190,545)</u>	<u>32,507</u>	<u>51,499</u>	<u>57,442</u>	<u>(36,093)</u>
<b>Total comprehensive income for the year/period . . . . .</b>	<u>(775,739)</u>	<u>(547,445)</u>	<u>(1,138,108)</u>	<u>(715,167)</u>	<u>(542,839)</u>
<b>Attributable to:</b>					
Equity shareholders of the Company . . . . .	(775,245)	(548,129)	(1,137,757)	(718,347)	(541,590)
Non-controlling interests .	<u>(494)</u>	<u>684</u>	<u>(351)</u>	<u>3,180</u>	<u>(1,249)</u>
<b>Total comprehensive income for the year/period . . . . .</b>	<u>(775,739)</u>	<u>(547,445)</u>	<u>(1,138,108)</u>	<u>(715,167)</u>	<u>(542,839)</u>

The accompanying notes form part of the Historical Financial Information.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Hong Kong dollars)

	Note	At 31 December			At 30 June
		2022	2023	2024	2025
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Non-current assets</b>					
Property, plant and equipment . . . .	12	110,794	88,956	71,832	56,055
Intangible assets – others . . . . .	13(b)	3,216	11,107	85,985	78,292
Interest in an associate . . . . .	14	24,243	41,955	97,100	82,810
Prepayments, deposits and other receivables . . . . .	15	13,726	13,559	13,938	11,792
Financial assets at fair value through profit or loss ("FVTPL") . . . . .	16	447,603	447,603	388,414	388,414
		<u>599,582</u>	<u>603,180</u>	<u>657,269</u>	<u>617,363</u>
<b>Current assets</b>					
Trade receivables . . . . .	17	–	6,850	28,056	27,051
Digital assets receivables . . . . .	18	4,179	1,875	2,375	1,272
Prepayments, deposits and other receivables . . . . .	15	38,243	52,428	45,347	58,067
Amounts due from related parties . .	36(d)	14,923	25,318	24,947	32,272
Financial assets at FVTPL . . . . .	16	–	–	28,743	20,216
Intangible assets – digital assets . . .	13(a)	118,650	166,377	229,890	155,679
Inventory – digital assets . . . . .	19	–	–	44,382	49,247
Digital assets at FVTPL . . . . .	20	60,150	300,869	246,011	249,604
Derivative . . . . .	21	–	37,889	–	–
Cash and cash equivalents . . . . .	22	242,423	344,490	306,796	396,588
		<u>478,568</u>	<u>936,096</u>	<u>956,547</u>	<u>989,996</u>
<b>Current liabilities</b>					
Trade payables . . . . .	23	50,539	45,010	10,128	6,158
Digital assets payables . . . . .	24	24,859	228,393	157,849	169,259
Accruals and other payables . . . . .	25	87,459	167,658	340,681	309,271
Amounts due to related parties . . . .	36(d)	347,174	240,446	432,116	430,218
Contract liabilities . . . . .	26	–	–	63,499	188,917
Lease liabilities . . . . .	27	15,675	15,206	16,947	15,453
Tax payables . . . . .		10,942	14,926	20,718	22,764
Borrowings . . . . .	28	–	13,861	–	–
Redemption liabilities . . . . .	30	140,243	1,000,202	1,284,493	1,725,076
		<u>676,891</u>	<u>1,725,702</u>	<u>2,326,431</u>	<u>2,867,116</u>
<b>Net current liabilities . . . . .</b>		<u>(198,323)</u>	<u>(789,606)</u>	<u>(1,369,884)</u>	<u>(1,877,120)</u>

	Note	At 31 December			At 30 June
		2022	2023	2024	2025
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Total assets less current liabilities</b> . . . . .		401,259	(186,426)	(712,615)	(1,259,757)
<b>Non-current liabilities</b>					
Accruals and other payables . . . . .	25	4,410	4,630	5,319	5,470
Amounts due to related parties . . . . .	36(d)	–	297,122	287,194	295,258
Lease liabilities . . . . .	27	57,034	42,214	28,907	18,637
Convertible bonds . . . . .	29	333,192	–	–	–
Digital assets payables . . . . .	24	–	–	18,423	2,705
		<u>394,636</u>	<u>343,966</u>	<u>339,843</u>	<u>322,070</u>
<b>NET ASSETS/(LIABILITIES)</b> . . . . .		<u>6,623</u>	<u>(530,392)</u>	<u>(1,052,458)</u>	<u>(1,581,827)</u>
<b>CAPITAL AND RESERVES</b>					
Share capital . . . . .	34(c)	106	106	106	106
Reserves . . . . .	34	<u>6,403</u>	<u>(531,584)</u>	<u>(1,071,915)</u>	<u>(1,600,035)</u>
<b>Total equity/(deficit) attributable to equity shareholders of the Company</b> . . . . .		6,509	(531,478)	(1,071,809)	(1,599,929)
Non-controlling interests . . . . .		<u>114</u>	<u>1,086</u>	<u>19,351</u>	<u>18,102</u>
<b>TOTAL EQUITY/(DEFICIT)</b> . . . . .		<u>6,623</u>	<u>(530,392)</u>	<u>(1,052,458)</u>	<u>(1,581,827)</u>

The accompanying notes form part of the Historical Financial Information.

## STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

(Expressed in Hong Kong dollars)

	Note	At 31 December			At 30 June
		2022	2023	2024	2025
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Non-current assets</b>					
Investment in subsidiaries . . . . .	37	1,095	1,095	44,465	44,465
Interest in an associate . . . . .	14	46,585	77,823	77,823	77,823
		<u>47,680</u>	<u>78,918</u>	<u>122,288</u>	<u>122,288</u>
<b>Current assets</b>					
Derivative . . . . .	21	–	37,889	–	–
Other receivables . . . . .	15	23,427	–	–	–
Amounts due from related parties . .	31	544,803	895,704	1,142,597	1,522,015
Cash and cash equivalents . . . . .	22	–	39,108	101	164
		<u>568,230</u>	<u>972,701</u>	<u>1,142,698</u>	<u>1,522,179</u>
<b>Current liabilities</b>					
Accruals and other payables . . . . .		–	–	85	4
Redemption liabilities . . . . .	30	–	850,434	1,126,301	1,560,411
		<u>–</u>	<u>850,434</u>	<u>1,126,386</u>	<u>1,560,415</u>
<b>Net current assets/(liabilities) . . . .</b>		<u>568,230</u>	<u>122,267</u>	<u>16,312</u>	<u>(38,236)</u>
<b>Total assets less current liabilities . . . . .</b>					
		<u>615,910</u>	<u>201,185</u>	<u>138,600</u>	<u>84,052</u>
<b>Non-current liability</b>					
Convertible bonds . . . . .	29	333,192	–	–	–
		<u>333,192</u>	<u>–</u>	<u>–</u>	<u>–</u>
<b>NET ASSETS . . . . .</b>		<u>282,718</u>	<u>201,185</u>	<u>138,600</u>	<u>84,052</u>
<b>CAPITAL AND RESERVES</b>					
Share capital . . . . .	34(c)	106	106	106	106
Reserves . . . . .	34	282,612	201,079	138,494	83,946
<b>TOTAL EQUITY . . . . .</b>		<u>282,718</u>	<u>201,185</u>	<u>138,600</u>	<u>84,052</u>

The accompanying notes form part of the Historical Financial Information.

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(Expressed in Hong Kong dollars)

	Attributable to the equity shareholders of the Company							
	Share capital	Share premium	Other reserves	Re-valuation reserve	Retained earnings/ (Accumulated Losses)	Sub-total	Non-controlling interests	Total equity/(deficit)
	(Note 34(c))	(Note 34(d)(iii))	(Note 34(d)(i))	(Note 34(d)(ii))				
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 1 January 2022</b> . . . . .	78	-	6,423	196,784	283,963	487,248	423	487,671
Loss for the year . . . . .	-	-	-	-	(584,706)	(584,706)	(488)	(585,194)
Other comprehensive income . . . . .	-	-	1,308	(191,847)	-	(190,539)	(6)	(190,545)
Total comprehensive income for the year . . . . .	-	-	1,308	(191,847)	(584,706)	(775,245)	(494)	(775,739)
Issuance of new shares . . . . .	28	291,267	-	-	-	291,295	-	291,295
Equity-settled share-based payments under share option scheme (Note 32) . . . . .	-	-	3,555	-	-	3,555	-	3,555
Transaction with non-controlling interests . . . . .	-	-	(344)	-	-	(344)	344	-
Transfer of revaluation reserve upon disposal of intangible assets – digital assets . . . . .	-	-	-	(783)	783	-	-	-
Derecognition of non-controlling interests . . . . .	-	-	-	-	-	-	(159)	(159)
	28	291,267	4,519	(192,630)	(583,923)	(480,739)	(309)	(481,048)
<b>At 31 December 2022</b> . . . . .	106	291,267	10,942	4,154	(299,960)	6,509	114	6,623

Attributable to the equity shareholders of the Company									
	Share capital	Share premium	Other reserves	Re-valuation reserve	Retained earnings/ earnings/ (Accumulated Losses)	Sub-total	Non-controlling interests	Total equity/(deficit)	
	(Note 34(c))	(Note 34(d)(iii))	(Note 34(d)(i))	(Note 34(d)(ii))	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 1 January 2023</b> . . . . .	106	291,267	10,942	4,154	(299,960)	6,509	114	6,623	
(Loss)/profit for the year . . . . .	-	-	-	-	(580,412)	(580,412)	460	(579,952)	
Other comprehensive income . . . . .	-	-	3,736	28,547	-	32,283	224	32,507	
Total comprehensive income for the year . . . . .	-	-	3,736	28,547	(580,412)	(548,129)	684	(547,445)	
Equity-settled share-based payments under share option scheme (Note 32) . . . . .	-	-	10,430	-	-	10,430	-	10,430	
Transaction with non-controlling interests . . . . .	-	-	(288)	-	-	(288)	288	-	
Transfer of revaluation reserve upon disposal of intangible assets – digital assets . . . . .	-	-	-	(4,304)	4,304	-	-	-	
<b>At 31 December 2023</b> . . . . .	106	291,267	24,820	28,397	(876,068)	(531,478)	1,086	(530,392)	
	-	-	13,878	24,243	(576,108)	(537,987)	972	(537,015)	
	-	-	24,820	28,397	(876,068)	(531,478)	1,086	(530,392)	

Attributable to the equity shareholders of the Company		Share capital (Note 34(c)) HK\$'000	Share premium (Note 34(d)(iii)) HK\$'000	Other reserves (Note 34(d)(i)) HK\$'000	Re-valuation reserve (Note 34(d)(ii)) HK\$'000	Retained earnings/ earnings/ (Accumulated Losses) HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total equity/(deficit) HK\$'000
<b>At 1 January 2024</b>	106	291,267	24,820	28,397	(876,068)	(531,478)	1,086	(530,392)	
Loss for the year	-	-	-	-	(1,188,993)	(1,188,993)	(614)	(1,189,607)	
Other comprehensive income	-	-	(3,462)	54,698	-	51,236	263	51,499	
Total comprehensive income for the year	-	-	(3,462)	54,698	(1,188,993)	(1,137,757)	(351)	(1,138,108)	
Equity-settled share-based payments under share option scheme (Note 32)	-	-	566,208	-	-	566,208	-	566,208	
Acquisition of non-wholly owned subsidiary (Note 21)	-	-	-	-	-	-	18,616	18,616	
Issuance of preferred shares (Note 30)	-	-	31,218	-	-	31,218	-	31,218	
Transfer of revaluation reserve upon disposal of intangible assets – digital assets	-	-	-	(29,337)	29,337	-	-	-	
<b>At 31 December 2024</b>	106	291,267	618,784	53,758	(2,035,724)	(1,071,809)	19,351	(1,052,458)	
			593,964	25,361	(1,159,656)	(540,331)	18,265	(522,066)	

		Attributable to the equity shareholders of the Company							
		Share capital	Share premium	Other reserves	Re-valuation reserve	Retained earnings/ earnings/ (Accumulated Losses)	Sub-total	Non-controlling interests	Total equity/(deficit)
		(Note 34(c))	(Note 34(d)(iii))	(Note 34(d)(i))	(Note 34(d)(ii))				
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 1 January 2025</b>		106	291,267	618,784	53,758	(2,035,724)	(1,071,809)	19,351	(1,052,458)
Loss for the period		-	-	-	-	(506,314)	(506,314)	(432)	(506,746)
Other comprehensive income		-	-	(1,005)	(34,271)	-	(35,276)	(817)	(36,093)
Total comprehensive income for the period		-	-	(1,005)	(34,271)	(506,314)	(541,590)	(1,249)	(542,839)
Equity-settled share-based payments under share option scheme (Note 32)		-	-	2,571	-	-	2,571	-	2,571
Issuance of preferred shares (Note 30)		-	-	10,899	-	-	10,899	-	10,899
Transfer of revaluation reserve upon disposal of intangible assets – digital assets		-	-	-	(2,585)	2,585	-	-	-
		-	-	12,465	(36,856)	(503,729)	(528,120)	(1,249)	(529,369)
<b>At 30 June 2025</b>		106	291,267	631,249	16,902	(2,539,453)	(1,599,929)	18,102	(1,581,827)

	Attributable to the equity shareholders of the Company							
	Share capital (Note 34(c)) HK\$'000	Share premium (Note 34(d)(iii)) HK\$'000	Other reserves (Note 34(d)(i)) HK\$'000	Re-valuation reserve (Note 34(d)(ii)) HK\$'000	Retained earnings/ accumulated Losses) HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total equity/(deficit) HK\$'000
<i>(Unaudited)</i>								
<b>At 1 January 2024</b> . . . . .	106	291,267	24,820	28,397	(876,068)	(531,478)	1,086	(530,392)
(Loss)/profit for the period. . . . .	-	-	-	-	(776,977)	(776,977)	4,368	(772,609)
Other comprehensive income . . . . .	-	-	2,467	56,163	-	58,630	(1,188)	57,442
Total comprehensive income for the period . .	-	-	2,467	56,163	(776,977)	(718,347)	3,180	(715,167)
Equity-settled share-based payments under share option scheme . . . . .	-	-	500,236	-	-	500,236	-	500,236
Issuance of preferred shares . . . . .	-	-	14,266	-	-	14,266	-	14,266
Transfer of revaluation reserve upon disposal of intangible assets – digital assets . . . . .	-	-	-	(21,004)	21,004	-	-	-
<b>At 30 June 2024</b> . . . . .	106	291,267	541,789	63,556	(1,632,041)	(735,323)	4,266	(731,057)

The accompanying notes form part of the Historical Financial Information.

## CONSOLIDATED CASH FLOW STATEMENTS

(Expressed in Hong Kong dollars)

	Note	Year ended 31 December			Six months ended 30 June	
		2022	2023	2024	2024	2025
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Operating activities</b>						
<b>Net cash used in</b>						
operating activities . . .	33(a)	(143,467)	(273,717)	(183,313)	(124,384)	(266,340)
<b>Investing activities</b>						
Interest received . . . . .		802	6,600	21,631	8,268	20,362
Acquisition of intangible assets . . . . .		(1,062)	(9,026)	–	–	(1,419)
Acquisition of property, plant and equipment . . .		(6,984)	(6,944)	(5,616)	(5,616)	(1,349)
Proceeds from disposal of property, plant and equipment . . . . .		–	–	14	–	–
Capital injection to an associate . . . . .		–	(31,238)	(21,627)	–	–
Purchase of financial asset at FVTPL . . . . .		–	–	(3,912)	–	–
<b>Net cash (used in)/ generated from investing activities . . .</b>		<b>(7,244)</b>	<b>(40,608)</b>	<b>(9,510)</b>	<b>2,652</b>	<b>17,594</b>
<b>Financing activities</b>						
Capital element of lease rentals paid . . . . .	33(b)	(9,812)	(15,584)	(17,094)	(8,373)	(7,616)
Interest element of lease rentals paid . . . . .	33(b)	(3,886)	(3,423)	(2,786)	(1,430)	(1,057)
Proceeds from/(repayment of) borrowing from related parties, net . . . .	33(b)	6,844	217,834	102,646	60,314	(12,007)
Proceeds from borrowings . . . . .	33(b)	–	119,338	–	–	–
Repayment for borrowings . . . . .	33(b)	–	(106,011)	–	–	–
Proceeds from issuance of convertible bonds . . . . .	33(b)	235,463	–	–	–	–
Proceeds from issuance of preferred shares . . . . .	33(b)	117,132	203,194	71,105	889	361,100
<b>Net cash generated from financing activities . . .</b>		<b>345,741</b>	<b>415,348</b>	<b>153,871</b>	<b>51,400</b>	<b>340,420</b>

Note	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i> <i>(unaudited)</i>	<i>HK\$'000</i>
<b>Net increase/(decrease) in cash and cash equivalents . . . . .</b>	195,030	101,023	(38,952)	(70,332)	91,674
<b>Cash and cash equivalents at the beginning of the year/period . . . . .</b>	47,809	242,423	344,490	344,490	306,796
Effects of exchange rate changes on cash and cash equivalents . . . . .	<u>(416)</u>	<u>1,044</u>	<u>1,258</u>	<u>897</u>	<u>(1,882)</u>
<b>Cash and cash equivalents at the end of the year/period . . . .</b>	22 <u>242,423</u>	<u>344,490</u>	<u>306,796</u>	<u>275,055</u>	<u>396,588</u>

The accompanying notes form part of the Historical Financial Information.

**NOTES TO THE HISTORICAL FINANCIAL INFORMATION****1 BASIS OF PREPARATION AND PRESENTATION OF THE HISTORICAL FINANCIAL INFORMATION**

HashKey Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 2 January 2019 as an exempted company with limited liability under the Companies Act (As Revised) of the Cayman Islands.

The Company is an investment holding company and has not carried on any business operation since the date of its incorporation. The Company and its subsidiaries (together, “the Group”) are principally engaged in digital asset exchange platforms, brokerage services, management of venture capital funds, Web 3 infrastructure services business and technology services.

As at 30 June 2025, the Group had net current liabilities and net liabilities of HK\$1,877,120,000 and HK\$1,581,827,000, respectively. Based on cashflow projections of the Group, including (i) the issuance of preferred shares for approximately HK\$1,681,298,000 as disclosed in Note 38(i) and (ii) the assumption that redemption events of redemption liabilities would not be triggered in the foreseeable future, the Directors are of the opinion that the Group has sufficient financial resources to continue as a going concern for the foreseeable future.

Accordingly, the directors of the Company consider it is appropriate to prepare the Historical Financial Information on a going concern basis.

The Historical Financial Information has been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”). Further details of the material accounting policy information are set out in Note 2.

The IASB has issued a number of new and revised IFRS Accounting Standards during the Track Record Period. For the purpose of preparing the Historical Financial Information, the Group has adopted all applicable new and revised IFRS Accounting Standards to the Track Record Period, except for any new standards or interpretations that are not yet effective for the accounting period beginning 1 January 2025. The revised and new accounting standards and interpretations issued but not yet effective for the accounting year beginning 1 January 2025 are set out in Note 40.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information.

The Stub Period Corresponding Financial Information has been prepared in accordance with the same basis of preparation and presentation adopted in respect of the Historical Financial Information.

The Historical Financial Information and the Stub Period Corresponding Financial Information are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (HK\$'000) except when otherwise indicated.

**2 MATERIAL ACCOUNTING POLICY INFORMATION****(a) Basis of measurement**

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

- financial assets at fair value through profit or loss (see Note 2(e));
- convertible bonds (see Note 2(o));
- derivatives (see Note 2(e));

- digital assets at fair value through profit or loss (see Note 2(i)(a)(a));
- intangible assets — digital assets (see Note 2(i)(a)(c));
- digital assets receivables (see Note 2(i)(a)(e)); and
- digital assets payables (see Note 2(i)(a)(e)).

**(b) Use of estimates and judgements**

The preparation of Historical Financial Information in conformity with IFRS Accounting Standards 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.

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 IFRS Accounting Standards that have significant effect on the Historical Financial Information and major sources of estimation uncertainty are discussed in Note 3.

**(c) Subsidiaries and non-controlling interests**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered. The financial statements of subsidiaries are included in the Historical Financial Information from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Non-controlling interests are presented in the Historical Financial Information within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 2(e)) or, when appropriate, the cost on initial recognition of an interest in an associate or joint venture (see Note 2(d)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(h)(b)).

**(d) Associates**

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An interest in an associate is accounted for in the Historical Financial Information under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see Note 2(h)(b)). At each reporting date, the Group assesses whether there is any objective evidence that the investment is impaired. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated other comprehensive income.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 2(e)).

In the Company's statement of financial position, interest in associates are stated at cost less impairment losses (see Note 2(h)(b)).

**(e) Financial assets**

The Group initially recognises financial instruments on trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument on initial recognition is generally its transaction price.

On initial recognition, a financial asset is classified as measured at: amortised cost or FVTPL.

***Amortised cost***

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows;
- and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI").

Expected credit losses (see Note 2(h)(a)), interest income calculated using the effective interest method, foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**FVTPL**

All other financial assets, including derivatives, are classified as measured at FVTPL. The instruments are subsequently measured at fair value with changes therein recognised in profit or loss. In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

**(f) Property, plant and equipment**

Property, plant and equipment, including right-of-use assets, are stated at cost less accumulated depreciation and any accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The estimated useful lives for the Tracked Record Period are as follows:

Furniture and fixtures . . . . .	5 years
Computer equipment . . . . .	5 years
Right-of-use assets . . . . .	over the lease terms
Leasehold improvement . . . . .	over the lease terms

The assets' residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

**(g) Leases**

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Note 2(h)(b)).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets. Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the Historical Financial Information, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

**(h) Credit losses and impairment of assets**

**(a) Credit losses from financial instruments**

The Group recognises a loss allowance for expected credit losses ("ECL"s) on financial assets measured at amortised cost (including trade receivables, deposits and other receivables, amounts due from related parties and cash and cash at equivalents).

*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.

The expected cash shortfalls are discounted using the effective interest rate determined at initial recognition or an approximation thereof if the effect is material. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group 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 instruments 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 Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs.

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

Loss allowances for trade receivables under IFRS 15 without a significant financing components are always measured at an amount equal to lifetime ECLs.

#### *Significant increases in credit risk*

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when measuring ECLs, the Group 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 group's historical experience and informed credit assessment, that includes forward-looking information.

The Group considers a financial asset to be in default when: (i) the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due.

ECLs are remeasured at each reporting date with any changes recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss with a corresponding adjustment to the carrying amount of the financial assets through a loss allowance account.

#### *Credit-impaired financial assets*

At each reporting date, the Group 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 Group on terms that the Group would not consider otherwise;
- 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 (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor/counterparties 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 recover occurs.

#### **(b) Impairment of other non-financial assets**

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and digital assets measured at FVTPL) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets (except digital assets) with indefinite useful lives are tested annually for impairment irrespective of any impairment indicators.

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.

**(i) Digital assets**

**(a) *Digital assets presented in the Historical Financial Information***

Digital assets are held mainly for the purposes of staking, trading in the ordinary course of the Group’s business in over-the-counter markets and facilitating the deal-matching services as part of digital assets exchange platforms.

Depending on the characteristics of the digital assets and the business model of the Group’s activities, digital assets are classified and measured by the following categories:

**(a) *Inventory — fair value less costs to sell***

Since the Group actively trades proprietary digital assets, purchasing them with a view to their resale in the near future, and generating a profit from the fluctuations of price, the Group applies the guidance in IAS 2 “Inventories” for commodity broker-traders (“commodity broker-traders exemption”) and measures the digital assets at fair value less costs to sell. The Group considers there are no significant “costs to sell” digital assets and hence measurement of digital assets is based on their fair values with changes in fair values recognised in profit or loss.

Defined by paragraph 5 of IAS 2, Inventory under commodity broker-traders is principally acquired with the purpose of selling in the near future and generating a profit from fluctuations in price or broker-traders’ margin.

Digital assets classified as inventory and measured at fair value less costs to sell are presented as “Digital assets at fair value through profit or loss” in the Historical Financial Information.

**(b) *Inventory — lower of cost and net realisable value***

Digital assets classified as inventories and measured at the lower of cost and net realisable value are assets which are held for sale in the ordinary course of business or consumed in the rendering of services that do not qualify for commodity broker-traders exemption.

Inventories are carried at the lower of cost and net realisable value as follows:

- Cost is calculated using the weighted average cost formula.
- Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The Group considers there are no significant “costs to sell” of digital assets and hence measurement of net realisable value is based on the digital assets’ fair values.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs. The Group determines the net realisable value at the end of each reporting period.

Digital assets classified as inventory and measured at the lower of cost and net realisable value are presented as “Inventory — digital assets” on Historical Financial Information.

*(c) Intangible assets — digital assets*

Digital assets held for staking with indefinite useful lives are classified as intangible assets.

The digital assets are initially recognised at cost. After initial recognition, the digital assets are carried at a revalued amount, being their fair value at the date of revaluation. For the purpose of revaluations, fair value is measured by reference to an active market. Revaluations is made at the end of the reporting period.

For subsequent measurement, any increase in the carrying amount on the revaluation on intangible assets — digital assets is recognised in other comprehensive income (“OCI”) (and accumulated in the revaluation reserve within equity) except to the extent that the increase reverses a previous revaluation decrease for the same asset recognised in profit or loss, in which case to the corresponding amount of the increase is recognised in profit or loss. Any decrease in the carrying amount on revaluation is recognised in profit or loss except to the extent of any balance in the revaluation reserve for the same asset, in which case the corresponding amount is recognised in OCI (and deducted from the revaluation reserve in equity).

The cumulative revaluation surplus included in equity is transferred directly to retained earnings when the digital asset is disposed of.

*(d) Digital assets borrowing and lending*

Digital assets borrowed are recognised as assets of the Group and presented as “Digital assets at fair value through profit or loss” with a corresponding liability recognised as “Digital assets payable”. The balances are measured initially and subsequently at fair value, with changes in fair value recognised in profit or loss. Upon maturity of the borrowing arrangements when the Group repays the digital assets, the related digital assets and liability are derecognised.

*(e) Digital assets receivables and payable*

Receivables and payable to be settled by digital assets are measured initially and subsequently at fair value, with changes in fair value recognised in profit or loss. The receivables and payables are presented as “Digital assets receivables” and “Digital assets payables” in the Historical Financial Information.

***(b) Digital assets not presented in the Historical Financial Information***

Certain digital assets are received from and held on behalf of clients by certain subsidiaries of the Group for staking purposes and for the clients’ trading of the digital assets on exchange platforms.

These digital assets are excluded from the Historical Financial Information based on the respective rights and obligations arising from the underlying terms and conditions with the clients, on the following basis:

- Those subsidiaries are not entitled to any benefit of income from the holding of these client’s digital assets;
- Those subsidiaries are legally restrained from transferring or transacting with these client’s digital assets other than as instructed by the clients; and
- These client’s digital assets are safekept in segregated client wallets.

**(j) Intangible assets (other than digital assets)**

Expenditure on research activities is recognised in profit or loss as incurred.

Intangible assets acquired separately, including trademark, domain name and computer software, are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses (see Note 2(h)(ii)). The following type of intangible asset with a finite useful life is amortised from the date it is available for use and its estimated useful life is as follows:

Computer software . . . . . over the license terms

Both the period and method of amortisation are reviewed annually.

Intangible assets with indefinite useful lives, including trademark and domain name, are carried at cost less any accumulated impairment losses (see Note 2(h)(b)).

**(k) Trade receivables**

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

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses (see Note 2(h)(a)).

**(l) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and 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 are assessed for ECL in accordance with the policy set out in Note 2(h)(a).

The Group also maintains segregated trust accounts with authorised financial institutions to hold clients' money in accordance with the relevant legislations. The Group is not allowed to use the clients' money to settle the Group's own obligations. Accordingly, the Group has not recognised the money held on behalf of clients as cash in the Historical Financial Information and treated these amounts as off-balance sheet items.

**(m) Contract assets and contract liabilities**

A contract asset is recognised when the Group recognises revenue (see Note 2(v)) before being unconditionally entitled to the consideration under the terms in the contract. Contract assets are assessed for ECLs and are reclassified to receivables when the right to the consideration becomes unconditional.

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue. A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised.

When the contract includes a significant financing component, the contract balance includes interest arising from the unwinding of the discount.

**(n) Trade and other payables**

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

**(o) Convertible bonds**

The convertible bonds issued by the Group are classified as at fair value through profit or loss. Convertible bonds are initially recognised at fair value. Subsequent to initial recognition, the convertible bonds are carried at fair value with changes in fair value recognised in the profit or loss.

If the convertible bonds are converted into preferred shares, the preferred shares are accounted for in accordance with Note 2(p), and any difference between the carrying amount of the convertible bonds and the financial liabilities arising from the preferred shares is recognised in equity. If the convertible bonds are redeemed, any difference between the amount paid and the carrying amounts of the convertible bonds is recognised in profit or loss.

**(p) Preferred shares**

Preferred shares issued by the Group are recognised as redemption liabilities and equity separately:

**(i) Redemption liabilities**

Redemption liabilities represent the liabilities arising from preferred shares when they are redeemable at the option of the preferred shareholders upon occurrence of events that are beyond the control of both the Group and the preferred shareholders. Such financial liabilities are measured at the highest redemption price (on a present value basis) that could be payable by the Group from time to time. Any change in the carrying amount of the financial liabilities from remeasurement is recognised in profit or loss. When the preferred shares are converted into ordinary shares, the then carrying amount of the financial liabilities is transferred to equity with no gain or loss.

**(ii) Equity component**

The equity component of the preferred shares is initially recognised at the difference between the fair value of the preferred shares as a whole and the initial carrying amount of the redemption liabilities. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. The equity component is not remeasured and is recognised in the other reserve until the preferred shares are converted. When the preferred shares are converted into ordinary shares, the equity component is transferred to share premium.

**(q) Employee benefit****(i) Short-term employee benefits and contributions to defined contribution retirement plans**

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

**(ii) Equity-settled Share-based payments**

The grant-date fair value of share options granted to employees is recognised as employee cost with a corresponding increase in other reserve within equity, over the vesting period of the awards (if any). The grant-date fair value of the awards is measured using valuation models (see Note 32), taking into account the non-vesting condition (if any).

The amount recognised as the employee cost is adjusted to reflect the number of awards for which the related service conditions are expected to be met. During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised as an expense in prior years is charged/credited to the profit or loss for the year of the review, with a corresponding adjustment to the other reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the other reserve). The equity amount is recognised in the other reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits/(accumulated losses)).

**(r) Foreign currency translation**

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

**(s) Income tax**

The income tax expense or credit for the period is the tax payable/recoverable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to taxable temporary differences and to unused tax losses.

**(i) Current income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the tax jurisdictions where the Group and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

**(ii) Deferred income tax**

Deferred income tax is provided in full, using the liability method, on taxable and deductible temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(t) Provisions and contingent liabilities**

Provisions are recognised when the Group has a legal or constructive present obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. For possible obligations for which it has yet to be confirmed whether a present obligation exists, a provision is recognised when it is more likely than not that the obligation exists at the reporting date. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events and for which no provision was recognised, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

**(u) Finance costs**

Finance costs are expensed in the period in which they are incurred.

**(v) Revenue recognition**

Revenue represents income arising in the course of the Group's ordinary activities.

The following is a description of the accounting policy for the principal revenue streams of the Group:

**(a) Revenue from contracts with customers**

Revenue is recognised when goods are transferred or services are rendered to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties.

*Revenue arising from transaction facilitation services**Commission fee income*

The Group earns commission fee income through its trading facilitation business. Commission fee income is recognised at a point in time when the relevant transactions are executed.

*Listing fee income*

The Group provides listing services to issuers of digital assets, enabling their tokens or coins to be listed and traded on the Group's trading platform. Generally we charge a fixed listing fee throughout the listing period. Listing fee is recognised as revenue on a straight-line basis over the period in which the listing service is rendered.

*Trading of digital assets*

Trading of digital assets represents the revenue arising from disposal of digital assets. Revenue is recognised when the control over the digital assets is transferred to customers, which is the point in time when the sale is completed. The amount recognised reflects the sales proceeds.

*Service fee income*

The Group provides other different types of services apart from the above-mentioned services through its trading facilitation business, including withdrawal service and custody service. If the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs, such as custody service, service fee is recognised as revenue over the period in which the service is performed. Otherwise, service fee is recognised as revenue at a point in time when the service is completed. The amount recognised reflects the fixed service charges or the contractual rate applied to the transaction value.

*Revenue arising from on-chain services*

## Staking and node validation income

Staking income represents the award generated on-chain from participating in network validation to support the blockchain operation. Staking income is recognised when the award is generated, representing the Group has performed the network validation service. Node validation income is recognised when the award is generated, representing the Group has performed the node validation service. Staking and node validation income is measured at fair value of the award at the date when the award is received.

## Web3 events fee income

Web3 events fee income represents the ticket sales and the sponsorship income from the organisation of Web3 events. Revenue from ticket sales and sponsorship income is recognised at the point in time when the event is held and the Group's obligation to host the event is fulfilled.

*Revenue arising from asset management services*

## Asset management fee income

Asset management fee income includes periodic management fees calculated based on assets under management and performance-based fees. Asset management fee is recognised as revenue over time using a time-based measure of progress. Periodic management fees and performance-based fees are variable consideration for which revenue recognition is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Specifically, the Group recognises periodic management fees and performance-based fees as revenue at the end of the relevant period when the actual amounts are confirmed.

**(b) Revenue from other sources***Revenue arising from Transaction facilitation service*

## Fair value gain/(loss) on digital assets

Fair value gain/(loss) represent the net gain/(loss) from transactions in, and remeasurement of "Digital assets at FVTPL" that are deployed in the transaction facilitations business.

For "Digital assets at FVTPL" that are deployed in other use, e.g. in house treasury purpose, such balance is recognised under "other gains/(loss), net".

## Interest income

Interest income is recognised using the effective interest method. The effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). 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 (i.e. gross carrying amount net of loss allowance) of the asset. Interest income from client trust accounts represents the interest income arising from transaction facilitation services, specifically from clients' fiat deposits held on exchange platforms. The interest rate is based on standard commercial terms applicable to a current bank account, from time to time.

**(w) Related parties**

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group 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 Group or an entity related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (w)(a).
  - (vii) A person identified in (w)(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).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group'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.

**(x) Segment reporting**

Operating segments, and the amounts of each segment item reported in the Historical Financial Information, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group'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 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 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES**

In the process of applying the Group's accounting policies, management has made the following accounting judgements and estimates:

**(a) Accounting for digital assets transactions and balances**

IFRS Accounting Standards do not specifically address accounting for digital assets. Accordingly, for the preparation of the Group's Historical Financial Information, management needs to apply judgement in determining appropriate accounting policies based on the existing accounting framework and the facts and circumstances of the Group's digital assets business.

The Group's digital assets portfolio mainly comprises cryptocurrencies and stablecoins. They are accounted for according to the business model of the Group's activities and the characteristics of each of the relevant digital assets as below:

<b>Business model</b>	<b>Classification</b>	<b>Measurement basis</b>
Held for trading that meets commodity broker-trader's exemptions . . . . .	Inventories	Fair value less costs to sell
Held for trading that does not meet commodity broker-trader's exemptions . . . . .	Inventories	Lower of cost or net realisable value
Held for staking purpose. . . . .	Intangible assets	Revaluation model

In addition, the Group borrows and lends digital assets from and to counterparties to facilitate its principal operations. The Group has the obligation to repay/the right to receive the underlying digital assets accordingly to the terms and conditions of those transactions. The Group assessed these types of transactions and concluded to measure the resulting assets and liabilities at fair value through profit or loss by referencing to the price of underlying digital assets based on the Conceptual Framework for Financial Reporting.

There are also digital assets held by the Group solely for the benefits on behalf of its clients where such assets held are not recognised by the Group as its own assets.

Furthermore, in determining fair values, management applies judgement to identify the relevant available markets, and to consider accessibility to and activity within those markets in order to identify the principal digital asset markets for the Group.

**(b) Share-based payments**

For the share options granted to its employees as part of its incentive programme, IFRS 2 requires the Group to recognise the grant-date fair value of the share options granted as expenses. In the case that market prices are not available for the share options granted, judgement is exercised in the measurement of the fair value. In making its judgement, management has considered a wide range of factors including the underlying value of the granting entities.

See Note 32 for the further information and assumptions adopted relating to the valuation of those share options at the grant date.

**(c) Fair value for non-listed financial instruments at fair value through profit or loss**

The Group initially recognised and subsequently measured these financial instruments at fair value in the consolidated statement of financial position. Certain financial instruments are not traded in an active market and their valuation is determined by using valuation techniques. Management uses its judgement to select methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Changes in these assumptions and estimates could materially affect the fair value of these financial instruments. See Note 35(c) for the further information and assumptions adopted relating to the valuation of those non-listed financial instruments.

## 4 REVENUE AND SEGMENT REPORTING

## (a) Revenue

The principal activities of the Group are the provision of transaction facilitation services, on-chain services and asset management services.

*Disaggregation of revenue*

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
				(unaudited)	
<b>Transaction facilitation services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
Commission fee income . . . . .	5,340	11,582	239,910	126,141	107,994
Listing fee income . . . . .	–	–	30,908	1,660	43,578
Trading of digital assets . . . . .	–	–	133,972	86,676	21,330
Service fee income . . . . .	–	529	82,805	37,700	11,343
<i>Interest income calculated using the effective interest method</i>					
Interest income from client trust accounts . . . . .	–	119	15,096	4,729	15,896
<i>Revenue from other sources</i>					
Fair value (loss)/gain on digital assets . . . . .	(20,255)	38,218	15,082	15,202	(6,928)
	<u>(14,915)</u>	<u>50,448</u>	<u>517,773</u>	<u>272,108</u>	<u>193,213</u>
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<b>On-chain services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
Staking and node validation income . . . . .	65,765	48,531	81,761	39,278	27,460
Web3 events fee income . . . . .	–	27,352	37,136	35,115	23,749
Others . . . . .	6,042	2,567	5,905	32	1,782
	<u>71,807</u>	<u>78,450</u>	<u>124,802</u>	<u>74,425</u>	<u>52,991</u>
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<b>Asset management services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
Asset management fee income . . . . .	72,172	78,894	78,156	37,653	37,763
	<u>129,064</u>	<u>207,792</u>	<u>720,731</u>	<u>384,186</u>	<u>283,967</u>
	=====	=====	=====	=====	=====

Analysis of revenue from contracts with customers within the scope of IFRS 15:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Recognised at					
– Point-in-time . . . . .	77,147	90,561	497,042	289,877	184,226
– overtime . . . . .	72,172	78,894	193,511	74,378	90,773
	<u>149,319</u>	<u>169,455</u>	<u>690,553</u>	<u>364,255</u>	<u>274,999</u>

The aggregated amount of the consideration allocated to the remaining performance obligations under the Group's existing contracts as at 31 December 2024 and 30 June 2025 is approximately HK\$63,499,000 and HK\$188,917,000 (see Note 26). There was no such consideration allocated to the remaining performance obligations under the Group's existing contract as at 31 December 2022 and 2023.

This aggregated amount represents revenue expected to be recognised in the future from pre-completion sales contracts for listing fee income and service fee income. The Group will recognise the expected revenue in the future when the obligations related to listing fee income and service fee income are completed, which are expected to occur over the next 1 to 6 months based on the market data and historical information.

During the Track Record Period, the Group's customers of the transaction facilitation services, on-chain services and asset management services segments with whom transaction have exceeded 10% of the Group's revenue in the respective periods are set out below. Details of concentration of credit risk arising from largest debtor are set out in Note 35(b)(ii).

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Customer A** . . . . .	68,078	83,395	76,595	38,899	34,819
Customer B . . . . .	<u>17,265</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>

Note \* Transactions with customer B did not exceed 10% of the Group's revenue in the respective years or periods.

Note \*\* Customer A is a related party of the Group.

## (b) Segment reporting

The Group manages its businesses by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's Chief Executive Officer for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable operating segments.

**Transaction facilitation services:** Transaction facilitation services cover digital asset exchange services, brokerage services and custody services. Revenue from transaction facilitation services is derived primarily from the Group's digital asset exchange services, brokerage services and custody services.

**On-chain services:** On-chain services cover support of infrastructure and application layers of the digital asset ecosystem, including staking services and tokenisation services. Revenue from on-chain services is derived primarily comes from staking services.

Asset management services: Asset management services cover venture capital funds management, as well as secondary market liquid funds. Revenue from asset management service is derived from venture capital solutions and secondary market fund solutions.

(i) *Segment results, assets and liabilities*

For the purpose of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all trade receivables, digital assets receivables, intangible assets — digital assets, inventory — digital assets, digital assets at FVTPL and cash and cash equivalents. Segment liabilities include all trade payables, digital assets payables and contract liabilities.

Revenue and expense are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments of which otherwise attributable to those segments. The measure used for reporting result is adjusted gross profit, which has arrived by gross profit adjusted by impairment losses attributable to those segments. The Group has no inter-segment revenue and therefore the revenue from external customers equal to Reportable segment revenue.

	Year ended 31 December 2022			
	Transaction facilitation services	On-chain services	Asset management services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Reportable segment revenue</b> . . . . .	(14,915)	71,807	72,172	129,064
<b>Reportable segment results</b> . . . . .	(16,760)	70,101	72,152	125,493
<i>Included in segment results</i>				
<i>Net fair value loss on digital assets</i> . . . . .	(20,255)	—	—	(20,255)
<b>Reportable segment assets</b> . . . . .	185,431	138,214	65,242	388,887
<i>Additions to non-current segment assets during the year</i> . . . . .	—	—	—	—
<b>Reportable segment liabilities</b> . . . . .	(104,603)	(30,001)	(17,386)	(151,990)
	Year ended 31 December 2023			
	Transaction facilitation services	On-chain services	Asset management services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Reportable segment revenue</b> . . . . .	50,448	78,450	78,894	207,792
<b>Reportable segment results</b> . . . . .	42,170	53,886	78,870	174,926
<i>Included in segment results</i>				
<i>Interest income</i> . . . . .	119	—	—	119
<i>Net fair value gain on digital assets</i> . . . . .	38,218	—	—	38,218
<i>Impairment loss</i> . . . . .	—	(20,435)	—	(20,435)
<b>Reportable segment assets</b> . . . . .	573,337	203,605	120,889	897,831
<i>Additions to non-current segment assets during the year</i> . . . . .	—	—	—	—
<b>Reportable segment liabilities</b> . . . . .	(384,598)	(39,251)	(63,194)	(487,043)

Year ended 31 December 2024				
	Transaction facilitation services	On-chain services	Asset management services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Reportable segment revenue</b> . . . . .	517,773	124,802	78,156	720,731
<b>Reportable segment results</b> . . . . .	338,637	115,992	77,884	532,513
<i>Included in segment results</i>				
Interest income . . . . .	15,096	–	–	15,096
Net fair value gain on digital assets . . . . .	15,082	–	–	15,082
<b>Reportable segment assets</b> . . . . .	866,329	280,373	134,902	1,281,604
<i>Additions to non-current segment assets during the year</i> . . . . .	–	–	–	–
<b>Reportable segment liabilities</b> . . . . .	(395,568)	(58,304)	(55,529)	(509,401)
Six months ended 30 June 2024 (unaudited)				
	Transaction facilitation services	On-chain services	Asset management services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Reportable segment revenue</b> . . . . .	272,108	74,425	37,653	384,186
<b>Reportable segment results</b> . . . . .	169,416	71,307	37,653	278,376
<i>Included in segment results</i>				
Interest income . . . . .	4,729	–	–	4,729
Net fair value gain on digital assets . . . . .	15,202	–	–	15,202
<b>Reportable segment assets</b> . . . . .	575,498	235,153	118,183	928,834
<i>Additions to non-current segment assets during the period</i> . . . . .	–	–	–	–
<b>Reportable segment liabilities</b> . . . . .	(334,110)	(57,668)	(8,002)	(399,780)
Six months ended 30 June 2025				
	Transaction facilitation services	On-chain services	Asset management services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Reportable segment revenue</b> . . . . .	193,213	52,991	37,763	283,967
<b>Reportable segment results</b> . . . . .	96,795	49,985	37,698	184,478
<i>Included in segment results</i>				
Interest income . . . . .	15,896	–	–	15,896
Net fair value loss on digital assets . . . . .	(6,928)	–	–	(6,928)
<b>Reportable segment assets</b> . . . . .	631,682	176,151	114,385	922,218
<i>Additions to non-current segment assets during the period</i> . . . . .	–	–	–	–
<b>Reportable segment liabilities</b> . . . . .	(143,602)	(48,032)	(37,593)	(229,227)

## (ii) Reconciliation of reportable segment result, assets and liabilities

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
<b>Consolidated result</b>					
Reportable segment result . . . . .	125,493	174,926	532,513	278,376	184,478
Other (loss)/gain . . . . .	(167,419)	28,700	39,908	(27,773)	(59,468)
Finance cost . . . . .	(21,572)	(36,270)	(169,278)	(90,513)	(87,993)
Share of loss of associate . . . . .	(12,601)	(13,525)	(6,893)	(8,943)	(14,290)
Unallocated expenses . . . . .	(507,890)	(729,798)	(1,579,720)	(920,855)	(527,427)
Consolidated loss before taxation.	(583,989)	(575,967)	(1,183,470)	(769,708)	(504,700)
<b>Reportable segment assets</b>					
Reportable segment assets . . . . .	388,887	897,831	1,281,604		922,218
Elimination of inter-segment assets . . . . .	(50,625)	(192,083)	(495,731)		(206,684)
Property, plant and equipment . . .	110,794	88,956	71,832		56,055
Intangible assets – others . . . . .	3,216	11,107	85,985		78,292
Interest in an associate . . . . .	24,243	41,955	97,100		82,810
Prepayments, deposits and other receivables . . . . .	51,969	65,987	59,285		69,859
Financial assets at FVTPL . . . . .	447,603	447,603	388,414		388,414
Derivative . . . . .	–	37,889	–		–
Unallocated assets . . . . .	102,063	140,031	125,327		216,395
Consolidated total assets . . . . .	1,078,150	1,539,276	1,613,816		1,607,359
<b>Reportable segment liabilities</b>					
Reportable segment liabilities . . .	151,990	487,043	509,401		229,227
Elimination of inter-segment liabilities . . . . .	(85,138)	(336,603)	(462,657)		(184,500)
Lease liabilities . . . . .	72,709	57,420	45,854		34,090
Borrowings . . . . .	–	13,861	–		–
Convertible bonds . . . . .	333,192	–	–		–
Redemption liabilities . . . . .	140,243	1,000,202	1,284,493		1,725,076
Tax payables . . . . .	10,492	14,926	20,718		22,764
Unallocated liabilities . . . . .	448,039	832,819	1,268,465		1,362,529
Consolidated total liabilities . . . .	1,071,527	2,069,668	2,666,274		3,189,186

## (c) Geographical information

The Group's staff and senior management including the chief operation decision makers are substantially located in Hong Kong. Accordingly, no further analysis of geographical information is presented.

## 5 COST OF REVENUE

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Transaction facilitation services . . . . .	1,845	8,278	179,136	102,691	96,418
On-chain services . . . . .	1,706	4,129	8,810	3,119	3,006
Asset management services . . . . .	20	24	272	–	65
	3,571	12,431	188,218	105,810	99,489

## 6 OTHER (LOSS)/GAINS, NET

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Net fair value gain/(loss) on:					
– convertible bonds . . . . .	(5,208)	(113,655)	–	–	–
– other financial instruments . . . . .	26,070	37,889	(75,440)	2,200	(8,556)
– digital assets . . . . .	(159,505)	82,974	16,158	(38,229)	(35,694)
Impairment loss on intangible assets and others . . . . .	(369)	(21,072)	–	–	–
Net (charge)/recovery of ECL for trade receivable (Note 17) . . . . .	(59,057)	–	55,759	–	68
Interest income calculated using the effective interest method:					
– interest income from banks and others . . . . .	7,736	6,481	6,536	3,539	4,466
Foreign exchange gain/(loss), net . . . . .	25,055	7,079	14,273	3,328	(27,262)
Recovery from impaired account receivables (Note 17) . . . . .	–	–	15,324	–	–
Others . . . . .	(2,141)	8,569	7,298	1,389	7,510
	<u>(167,419)</u>	<u>8,265</u>	<u>39,908</u>	<u>(27,773)</u>	<u>(59,468)</u>

## 7 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

## (a) Finance costs

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Interest expenses arising from					
– preferred shares – HashQuark Series B (Note 30) . . . . .	7,508	9,508	8,517	3,859	6,300
– preferred shares – HashKey Series A (Note 30) . . . . .	–	5,217	78,215	31,848	52,202
	<u>7,508</u>	<u>14,725</u>	<u>86,732</u>	<u>35,707</u>	<u>58,502</u>
– amounts due to related parties . . . . .	5,673	15,609	78,800	52,217	27,112
– lease liabilities (Note 27) . . . . .	3,886	3,423	2,786	1,430	1,057
– others . . . . .	4,505	2,513	960	1,159	1,322
	<u>21,572</u>	<u>36,270</u>	<u>169,278</u>	<u>90,513</u>	<u>87,993</u>

## (b) Staff costs (including directors' emoluments)

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Salaries, wages and other benefits . . . . .	175,065	305,883	396,820	188,000	218,172
Contributions to employees' retirement plan . . . . .	4,356	5,330	6,135	2,759	3,663
Equity-settled share-based payment expenses (Note 32) . . . . .	3,555	10,430	566,208	500,236	2,571
	<u>182,976</u>	<u>321,643</u>	<u>969,163</u>	<u>690,995</u>	<u>224,406</u>
Presented under:					
– Research and development . . . . .	23,662	53,266	170,056	111,834	47,605
– Sales and marketing . . . . .	52,639	97,382	256,852	145,469	109,245
– General and administrative . . . . .	106,675	170,995	542,255	433,692	67,556
	<u>182,976</u>	<u>321,643</u>	<u>969,163</u>	<u>690,995</u>	<u>224,406</u>

## (c) Other items

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Amortisation for intangible assets – others . . . . .	445	1,135	2,483	1,234	9,112
Depreciation					
– for property, plant and equipment . . . . .	9,670	11,241	11,408	5,976	5,610
– for right-of-use assets . . . . .	15,473	16,814	16,762	8,459	7,628
Advertisement and promotion . . . . .	16,337	10,363	73,824	9,940	42,579
IT expenses . . . . .	215,264	258,177	374,882	142,268	170,145
Legal & professional fee . . . . .	23,861	34,550	40,502	20,992	9,730
Auditor's remuneration					
– audit service . . . . .	9,910	10,658	12,627	4,962	6,429
– non-audit service . . . . .	–	–	690	–	–
	<u>–</u>	<u>–</u>	<u>690</u>	<u>–</u>	<u>–</u>

During the years ended 31 December 2022, 2023, 2024 and six months ended 30 June 2024 and 2025, expense of approximately HK\$9,898,000, HK\$70,752,000, HK\$176,722,000, HK\$82,925,000 and HK\$122,955,000 were in HashKey Platform Token (“HSK”).

## 8 TAXATION IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

### (a) Taxation in the consolidated statements of profit or loss and other comprehensive income represents:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Current tax . . . . .	1,205	3,985	6,137	2,901	2,046

Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in this jurisdiction. The provision for Hong Kong Profit Tax is calculated at 16.5% of the estimated assessable profits, if any, for the Track Record Period. Taxes on profits assessable from other jurisdictions are charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

### (b) Reconciliation between tax expense and accounting loss at applicable tax rates:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Loss before taxation . . . . .	(583,989)	(575,967)	(1,183,470)	(769,708)	(504,700)
Tax calculated at the prevailing rate . . . . .	(98,025)	(95,206)	(191,138)	(123,186)	(71,524)
Tax effect of non-deductible expenses . . .	34,944	41,709	151,763	110,897	40,393
Tax effect of non-taxable income . . . . .	(22,083)	(27,519)	(64,774)	(12,202)	(9,015)
Utilisation of tax loss previously not recognised . . . . .	–	–	(6,633)	–	–
Tax effect of unused tax losses not recognised . .	86,369	85,001	116,919	27,392	42,192
	<u>1,205</u>	<u>3,985</u>	<u>6,137</u>	<u>2,901</u>	<u>2,046</u>

The Group has not recognised deferred tax assets in respect of cumulative tax losses arising from Hong Kong Profits Tax and other jurisdictions of approximately HK\$988,711,000, HK\$1,662,026,000, HK\$2,269,900,000 and HK\$2,551,900,000 as at 31 December 2022, 2023 and 2024 and 30 June 2025 as it is not probable that future taxable profits against which these losses can be utilised will be available. The tax losses do not expire under the legislations of relevant jurisdictions.

### (c) Pillar Two income taxes

In 2021, the Organisation for Economic Co-operation and Development published the Global Anti-Base Erosion Model Rules (“Pillar Two model rules”) for a new global minimum tax reform applicable to large multinational enterprises. The Pillar Two income taxes are levied on certain subsidiaries under the local tax laws which introduced a domestic minimum top-up tax effective from 1 January 2024.

The Group has applied the temporary mandatory exception to recognising and disclosing information about the deferred tax assets and liabilities related to Pillar Two income taxes and accounted for the tax as current tax when incurred. This new tax policy did not have a material impact on the Historical Financial Information.

## 9 DIRECTORS' EMOLUMENTS

## Year ended 31 December 2022

Directors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Directors</b>				
LU Weiding <sup>a</sup> . . . . .	–	–	–	–
XIAO Feng . . . . .	–	300	11	2,411
	–	300	11	2,411
	–	300	11	2,411
	–	300	11	2,411

## Year ended 31 December 2023

Directors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Directors</b>				
LU Weiding <sup>a</sup> . . . . .	–	–	–	–
XIAO Feng . . . . .	–	6,675	18	11,373
	–	6,675	18	11,373
	–	6,675	18	11,373
	–	6,675	18	11,373

## Year ended 31 December 2024

Directors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Directors</b>				
LU Weiding <sup>a</sup> . . . . .	–	–	–	–
XIAO Feng . . . . .	–	8,246	18	12,944
	–	8,246	18	12,944
	–	8,246	18	12,944
	–	8,246	18	12,944

## Six months ended 30 June 2024 (unaudited)

Directors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Directors</b>				
LU Weiding <sup>a</sup> . . . . .	–	–	–	–
XIAO Feng . . . . .	–	2,340	9	2,349
	–	2,340	9	2,349
	–	2,340	9	2,349
	–	2,340	9	2,349

## Six months ended 30 June 2025

Directors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Directors</b>				
LU Weiding <sup>a</sup> . . . . .	–	–	–	–
XIAO Feng . . . . .	–	2,283	9	2,292
	–	2,283	9	2,292
	–	2,283	9	2,292
	–	2,283	9	2,292

During the Track Record Period, no director has waived or agreed to waive any emoluments and no amounts were paid or payable by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

*Note a:* Mr. Lu Weiding was appointed as director of the Company on 10 May 2023 and re-designated as non-executive director with effect from 22 September 2025.

*Note b:* Pursuant to resolutions of shareholders on 22 September 2025, the appointment of Mr. Chan Jessey Ting, Ms. Lin Lynn Zhihong and Mr. Huang Sidney Xuande as independent non-executive directors of the Company will be conditional and effective upon listing of the Company.

## 10 FIVE HIGHEST PAID INDIVIDUALS

Of the five individuals with the highest emoluments of the Group during the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, none were directors whose emoluments are disclosed in Note 9 except for one of the individual for the year ended 31 December 2023.

The aggregate of the emoluments in respect of the remaining individuals during the years ended 31 December 2022, 2023 and 2024 and six months ended 30 June 2024 and 2025 respectively are as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Salaries and other emoluments . . . . .	14,791	14,491	17,543	8,708	8,757
Discretionary bonuses . . . . .	4,835	16,689	19,451	–	–
Retirement scheme contributions . . . . .	72	45	72	36	45
Share-based payments . . . . .	6,378	3,531	185,239	156,553	17,284
	<u>26,076</u>	<u>34,756</u>	<u>222,305</u>	<u>165,297</u>	<u>26,086</u>

The emoluments of the remaining individuals with the highest emoluments are within the following bands:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	Number of individuals	Number of individuals	Number of individuals	Number of individuals (unaudited)	Number of individuals
HK\$3,000,001-HK\$3,500,000 . . . . .	1	–	–	–	–
HK\$3,500,001-HK\$4,000,000 . . . . .	1	–	–	–	1
HK\$4,000,001-HK\$4,500,000 . . . . .	1	–	–	–	–
HK\$4,500,001-HK\$5,000,000 . . . . .	1	–	–	–	2
HK\$5,000,001-HK\$5,500,000 . . . . .	–	–	–	–	1
HK\$6,500,001-HK\$7,000,000 . . . . .	–	–	–	–	1
HK\$8,000,001-HK\$8,500,000 . . . . .	–	1	–	–	–
HK\$8,500,001-HK\$9,000,000 . . . . .	–	3	–	–	–
HK\$9,500,001-HK\$10,000,000 . . . . .	1	–	–	–	–
HK\$24,000,001-HK\$24,500,000 . . . . .	–	–	–	1	–
HK\$26,000,001-HK\$26,500,000 . . . . .	–	–	–	1	–
HK\$29,000,001-HK\$29,500,000 . . . . .	–	–	1	–	–
HK\$30,000,001-HK\$30,500,000 . . . . .	–	–	–	1	–
HK\$33,000,001-HK\$33,500,000 . . . . .	–	–	–	1	–
HK\$37,500,001-HK\$38,000,000 . . . . .	–	–	1	–	–
HK\$45,000,001-HK\$45,500,000 . . . . .	–	–	2	–	–
HK\$50,500,001-HK\$51,000,000 . . . . .	–	–	–	1	–
HK\$64,000,001-HK\$64,500,000 . . . . .	–	–	1	–	–
	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>

During the Track Record Period, no amounts were paid or payable by the Group to the above non-director highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

**11 LOSS PER SHARE****(a) Basic loss per share**

Basic loss per share for the years ended 31 December 2022, 2023 and 2024 and for the six months ended 30 June 2024 and 2025 is calculated by dividing the loss attributable to equity shareholders of the Company by the weighted average of ordinary shares in issue as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
				<i>(unaudited)</i>	
Loss attributable to all equity shareholders of the Company (HK\$'000) . . . . .	(585,194)	(579,952)	(1,189,607)	(772,609)	(506,746)
Weighted average number of ordinary shares at 31 December/30 June ('000) . . . . .	<u>1,064,247</u>	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,350,000</u>
Basic loss per shares (HK\$ per share) . . . . .	<u>(0.55)</u>	<u>(0.43)</u>	<u>(0.88)</u>	<u>(0.57)</u>	<u>(0.38)</u>

Weighted average number of ordinary shares:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
				<i>(unaudited)</i>	
Issued ordinary shares at 1 January . . . . .	100,000	135,000	1,350,000	1,350,000	1,350,000
Effect of ordinary shares issued . . . . .	6,425	–	–	–	–
Effect of ordinary shares subdivision ( <i>Note (i)</i> ) . . . . .	<u>957,822</u>	<u>1,215,000</u>	<u>–</u>	<u>–</u>	<u>–</u>
Weighted average number of ordinary shares at 31 December/30 June . . . . .	<u>1,064,247</u>	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,350,000</u>

*Note (i)*: The weighted average number of ordinary shares has been adjusted retrospectively from 1 January 2022 for the share subdivision in 2023 (*Note 34(c)*).

**(b) Diluted loss per share**

Convertible bonds (*Note 29*), Preferred shares (*Note 30*) and share options granted by the Company and HashQuark Limited (*Note 32*) were not included in the calculation of diluted loss per share because their effect would have been anti-dilutive, the Group had no potentially ordinary shares that would dilute the basic loss per share. Accordingly, the diluted loss per share were equal to the basic loss per share for the Track Record Period.

## 12 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvement	Furniture and fixtures	Computer equipment	Right-of-use assets	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Cost</b>					
As at 1 January 2022 . . . . .	26,462	3,433	17,121	14,742	61,758
Additions . . . . .	373	1,348	5,263	78,653	85,637
Exchange differences . . . . .	—	10	80	(46)	44
As at 31 December 2022 and 1 January 2023 . . . . .	26,835	4,791	22,464	93,349	147,439
Additions . . . . .	—	216	6,728	—	6,944
Re-classification . . . . .	—	(1,112)	1,112	—	—
Exchange differences . . . . .	1	5	(25)	25	6
As at 31 December 2023 and 1 January 2024 . . . . .	26,836	3,900	30,279	93,374	154,389
Additions . . . . .	194	155	5,267	5,605	11,221
Expiry of lease contracts . . . . .	(570)	—	—	(10,915)	(11,485)
Disposal . . . . .	—	(306)	(148)	—	(454)
Exchange differences . . . . .	(33)	(20)	(211)	(301)	(565)
As at 31 December 2024 and 1 January 2025 . . . . .	26,427	3,729	35,187	87,763	153,106
Additions . . . . .	—	13	1,336	—	1,349
Modification of lease contracts . . . . .	—	—	—	(4,071)	(4,071)
Exchange differences . . . . .	70	42	(663)	502	(49)
As at 30 June 2025 . . . . .	26,497	3,784	35,860	84,194	150,335

	Leasehold improvement	Furniture and fixtures	Computer equipment	Right-of-use assets	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Accumulated depreciation and impairment losses</b>					
As at 1 January 2022 . . . . .	(1,678)	(383)	(2,053)	(6,551)	(10,665)
Charge for the year . . . . .	(5,211)	(664)	(3,795)	(15,473)	(25,143)
Lease modification . . . . .	—	—	—	(557)	(557)
Exchange differences . . . . .	(8)	(1)	(797)	526	(280)
As at 31 December 2022 and 1 January 2023 . . . . .	(6,897)	(1,048)	(6,645)	(22,055)	(36,645)
Charge for the year . . . . .	(5,304)	(799)	(5,138)	(16,814)	(28,055)
Impairment loss . . . . .	—	—	(649)	—	(649)
Re-classification . . . . .	—	181	(181)	—	—
Exchange differences . . . . .	(2)	(1)	90	(171)	(84)
As at 31 December 2023 and 1 January 2024 . . . . .	(12,203)	(1,667)	(12,523)	(39,040)	(65,433)
Charge for the year . . . . .	(4,310)	(810)	(6,288)	(16,762)	(28,170)
Expiry of lease contracts . . . . .	570	—	—	10,915	11,485
Disposal . . . . .	—	292	148	—	440
Exchange differences . . . . .	29	9	154	212	404
As at 31 December 2024 and 1 January 2025 . . . . .	(15,914)	(2,176)	(18,509)	(44,675)	(81,274)
Charge for the period . . . . .	(1,760)	(412)	(3,438)	(7,628)	(13,238)
Exchange differences . . . . .	(60)	(24)	760	(444)	232
As at 30 June 2025 . . . . .	(17,734)	(2,612)	(21,187)	(52,747)	(94,280)

	Leasehold improvement	Furniture and fixtures	Computer equipment	Right-of-use assets	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Net book value</b>					
As at 30 June 2025 . . . . .	8,763	1,172	14,673	31,447	56,055
As at 31 December 2024. . . . .	10,513	1,553	16,678	43,088	71,832
As at 31 December 2023. . . . .	14,633	2,233	17,756	54,334	88,956
As at 31 December 2022. . . . .	19,938	3,743	15,819	71,294	110,794

### 13 INTANGIBLE ASSETS

#### (a) Intangible assets — digital assets

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>At 1 January</b> . . . . .	395,139	118,650	166,377	229,890
Addition through				
– purchase . . . . .	3,783	62,083	76,703	21,494
– staking service and node validation service ( <i>Note 4a</i> ) . . . . .	65,765	48,531	81,761	27,460
– settlement of digital assets receivables . . . . .	183	2,303	187	407
	<u>69,731</u>	<u>112,917</u>	<u>158,651</u>	<u>49,361</u>
Less:				
– disposal . . . . .	(46,254)	(134,722)	(148,524)	(46,482)
– write-off during the year/period . . . . .	–	(20,435)	–	–
	<u>(46,254)</u>	<u>(155,157)</u>	<u>(148,524)</u>	<u>(46,482)</u>
Fair value adjustment . . . . .	(299,966)	89,967	53,386	(77,090)
<b>At 31 December/30 June</b> . . . . .	<u>118,650</u>	<u>166,377</u>	<u>229,890</u>	<u>155,679</u>

As at 31 December 2022, 2023 and 2024 and 30 June 2025, the digital assets were held in the Group's digital asset wallets. The private keys of the relevant wallets were held by individuals employed by subsidiaries of the Company. The write off in 2023 represented a one-off re-adjustment of certain assets under the staking business.

The determination of fair values of the digital assets held by the Group as at 31 December 2022, 2023 and 2024 and 30 June 2025 is detailed in Note 35(c)(iii).

The directors consider that there is no foreseeable limit to the period over which digital assets are expected to generate cash flows, therefore the digital assets are expected to have indefinite useful lives. As the Group expects and intends to realise or sell the digital assets in its operating cycle, the balance is classified as current assets in the Historical Financial Information.

## (b) Intangible assets — others

	Trademark	Domain name	Computer software	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Cost</b>				
As at 1 January 2022 . . . . .	588	87	2,293	2,968
Additions . . . . .	—	—	1,062	1,062
Write-off . . . . .	—	—	(369)	(369)
As at 31 December 2022 and 1 January 2023 . . . . .	588	87	2,986	3,661
Additions . . . . .	—	—	9,026	9,026
As at 31 December 2023 and 1 January 2024 . . . . .	588	87	12,012	12,687
Additions . . . . .	—	—	77,361	77,361
As at 31 December 2024 and 1 January 2025 . . . . .	588	87	89,373	90,048
Additions . . . . .	—	—	1,419	1,419
As at 30 June 2025 . . . . .	588	87	90,792	91,467
<b>Accumulated amortisation</b>				
As at 1 January 2022 . . . . .	—	—	—	—
Charge for the year . . . . .	—	—	(445)	(445)
As at 31 December 2022 and 1 January 2023 . . . . .	—	—	(445)	(445)
Charge for the year . . . . .	—	—	(1,135)	(1,135)
As at 31 December 2023 and 1 January 2024 . . . . .	—	—	(1,580)	(1,580)
Charge for the year . . . . .	—	—	(2,483)	(2,483)
As at 31 December 2024 and 1 January 2025 . . . . .	—	—	(4,063)	(4,063)
Charge for the period . . . . .	—	—	(9,112)	(9,112)
As at 30 June 2025 . . . . .	—	—	(13,175)	(13,175)
<b>Net book value</b>				
As at 30 June 2025 . . . . .	588	87	77,617	78,292
As at 31 December 2024 . . . . .	588	87	85,310	85,985
As at 31 December 2023 . . . . .	588	87	10,432	11,107
As at 31 December 2022 . . . . .	588	87	2,541	3,216

## 14 INTEREST IN AN ASSOCIATE

## The Group

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Interest in an associate – unlisted shares . . . . .	24,243	41,955	97,100	82,810

The interest in the associate represents the investment in RD International Holdings Limited (the "Associate"), a limited company incorporated in the Cayman Islands. The Associate is an investment holding company with principal subsidiary being RD InnoTech Limited, a company principally engaged in stablecoin development.

During 2023, the Group injected US\$4,000,000, equivalent to approximately HK\$31,238,000 as a result from the Associate's capital call. The capital injection had no impact on the attributable portion held by the Group.

During 2024, the Associate issued additional ordinary shares and diluted the attributable portion directly held by the Group to 17.9%. Subsequent to that, the Group acquired another shareholder of the Associate (the "Acquiree") and increased its total attributable portion in the Associate to 35.8%. The acquisition is considered as an addition to investment in the Associate from the Group's perspective since the Acquiree has no other operations except holding the Associate.

Particulars of the Group's associate as at 31 December 2022, 2023 and 2024 and 30 June 2025 are as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
Paid-up registered capital (in HK\$'000) . . . . .	46,585	367,509	450,108	450,108
Attributable portion of the registered capital held directly by the Company (in %) . . . . .	–	–	17.9%	17.9%
Attributable portion of the registered capital held indirectly by the Company (in %) . . . . .	20%	20%	17.9%	17.9%

Summarised financial information of the Associate, adjusted for fair value at the time of acquisition and any differences with accounting policies of the Group, and reconciled to the carrying amounts in the Historical Financial Information, are disclosed below:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Gross amounts of the associate</b>				
Current assets . . . . .	61,324	126,811	478,678	349,511
Non-current assets . . . . .	78,788	111,727	114,529	104,328
Current liabilities . . . . .	(9,332)	(23,901)	(391,086)	(293,544)
Non-current liabilities . . . . .	(9,570)	(4,860)	(7,444)	(5,519)
Equity . . . . .	121,210	209,777	194,677	154,776
Revenue . . . . .	–	230	26,290	18,147
Loss after tax . . . . .	(63,004)	(67,529)	(76,083)	(40,069)
<b>Reconciled to the Group's interests in the associates:</b>				
Gross amounts of net assets of the associate . . . . .	121,210	209,777	194,677	154,776
Group's effective interest rate . . . . .	20.0%	20.0%	35.8%	35.8%
Group's share of net assets of the associate . . . . .	24,243	41,955	69,700	55,410
Goodwill . . . . .	–	–	27,400	27,400
Carrying amount in the Historical Financial Information . . . . .	<u>24,243</u>	<u>41,955</u>	<u>97,100</u>	<u>82,810</u>

**The Company**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Interest in an associate, at cost . . . . .	46,585	77,823	77,823	77,823

The Company's interests in an associate comprise of the investments in RD International Holdings Limited. Summarised financial information of the associate is disclosed above.

**15 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES****The Group**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Non-current</b>				
Deposits . . . . .	13,726	13,559	13,938	11,792
<b>Current</b>				
Prepayment . . . . .	7,909	23,796	28,569	39,101
Other receivables . . . . .	30,334	28,632	16,778	18,966
	38,243	52,428	45,347	58,067
<b>Analysis by maturity date</b>				
Within 12 months . . . . .	38,243	52,428	45,347	58,067
More than 12 months . . . . .	13,726	13,559	13,938	11,792

As at 31 December 2022, 2023 and 2024 and 30 June 2025, all other receivables are unsecured, interest-free and repayable within 12 months.

**The Company**

As at 31 December 2022, the other receivables are unsecured, interest-free and repayable within 12 months.

**16 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Non-current</b>				
Unlisted investment – common share . . . . .	447,603	447,603	388,414	388,414
<b>Current</b>				
Exchange Listed Fund . . . . .	–	–	25,660	17,480
Unlisted fund investment . . . . .	–	–	3,083	2,736
	–	–	28,743	20,216

The balance represents investments held by the Group. The majority of the balance is a strategic investment in an unlisted company that participated in digital assets related business.

## 17 TRADE RECEIVABLES

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Trade receivables . . . . .	—	6,850	28,056	27,051
Accounts receivable . . . . .	55,472	55,472	—	—
Others . . . . .	3,585	3,585	3,298	3,230
Less: expected credit loss (“ECL”) allowances . . . . .	(59,057)	(59,057)	(3,298)	(3,230)
	—	—	—	—
	—	6,850	28,056	27,051

Trade receivables comprise mainly accounts receivables from fund management and a receivable from FTX Trading Ltd. (“FTX”).

The Group utilised FTX before their bankruptcy. As of 11 November 2022, the date FTX filed bankruptcy, the Group had amounts receivable of approximately HK\$55,472,000 from FTX. The balance was considered credit-impaired and fully provided as ECL allowances for the years ended 31 December 2022 and 2023. During the year 2024, due to appreciation of digital assets, approximately HK\$70,796,000 is recovered through negotiation. As such the full amount of ECL allowance was reversed and other gains of approximately HK\$15,324,000 was recognised accordingly. Both balances were presented under “Other (loss)/gains, net” in the consolidated statement profit or loss.

## (i) Reconciliation of ECL allowances during the Track Record Period:

	Stage 1	Stage 2	Stage 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2022 . . . . .	—	—	—	—
ECL allowances charged for the year . . . . .	—	—	59,057	59,057
At 31 December 2022, 1 January 2023, 31 December 2023 and 1 January 2024 . . . . .	—	—	59,057	59,057
ECL allowances reversal during the year . . . . .	—	—	(55,759)	(55,759)
At 31 December 2024, 1 January 2025 . . . . .	—	—	3,298	3,298
ECL allowances reversal during the period . . . . .	—	—	(68)	(68)
At 30 June 2025 . . . . .	—	—	3,230	3,230

The ECL charge/recovery of the balance was presented as part of “net (charge)/recovery of ECL for account receivable” under “Other (loss)/gains, net”.

**(ii) Ageing analysis**

At the end of each of the reporting period, the ageing analysis of trade receivables, based on the invoice date, is as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Not yet due . . . . .	–	–	2,329	2,355
Within 30 days . . . . .	–	1,208	11,732	11,790
31 to 60 days . . . . .	–	365	6,209	6,483
61 to 90 days . . . . .	–	367	6,435	6,410
Over 90 days . . . . .	59,057	63,967	4,649	3,243
	<u>59,057</u>	<u>63,907</u>	<u>31,354</u>	<u>30,281</u>

Trade receivables are normally due within 3 to 4 months from date of billing. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 35(b)(ii).

**18 DIGITAL ASSETS RECEIVABLES**

Digital assets receivables primarily consist of receivables from on-chain services, which are unsecured, interest-free and are normally recoverable within 30 to 60 days from the service is provided.

**19 INVENTORY — DIGITAL ASSETS**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Digital assets measured at the lower of cost and net realisable value . . . . .	–	–	44,382	49,247
	<u>–</u>	<u>–</u>	<u>44,382</u>	<u>49,247</u>

The analysis of the amount of digital assets measured at the lower of cost and net realisable value recognised as an expense and included in profit or loss is as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Carrying amount of digital assets sold . . . . .	–	–	131,933	22,145
Write-down of digital assets . . . . .	–	–	7,941	11,021
	–	–	<u>139,874</u>	<u>33,166</u>
	<u>–</u>	<u>–</u>	<u>139,874</u>	<u>33,166</u>

**20 DIGITAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Digital assets measured at fair value through profit or loss . . . . .	60,150	300,869	246,011	249,604
	<u>60,150</u>	<u>300,869</u>	<u>246,011</u>	<u>249,604</u>

Digital assets measured at fair value through profit or loss comprise of inventory measured at fair value less costs to sell and digital assets borrowed. The details of digital assets borrowed are detailed in Note 24. The determination of fair values of the digital assets held by the Group as at 31 December 2022, 2023 and 2024 and 30 June 2025 is detailed in Note 35(c)(iii).

**21 DERIVATIVE****The Group and the Company**

	As at 31 December			As at 30 June	
	2022	2023	2024	2025	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Unlisted option. . . . .	–	37,889	–	–	–

The unlisted option represents the derivative that provides the Group an option to purchase 70% of the Acquiree discussed in Note 14. The option was exercised during 2024, approximately HK\$18,616,000 was credited to non-controlling interest during the acquisition.

**22 CASH AND CASH EQUIVALENTS****The Group**

	As at 31 December			As at 30 June	
	2022	2023	2024	2025	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Cash and cash equivalents. . . . .	242,423	344,490	306,796	396,588	396,588

As at 31 December 2022, 2023 and 2024 and 30 June 2025, trust accounts for client assets that are not recognised as the Group's assets and thus not included in this Historical Financial Information amounted to approximately Nil, HK\$307,652,000, HK\$1,259,063,000 and HK\$1,874,586,000.

**The Company**

	As at 31 December			As at 30 June	
	2022	2023	2024	2025	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Cash and cash equivalents. . . . .	–	39,108	101	164	164

**23 TRADE PAYABLES**

	As at 31 December			As at 30 June	
	2022	2023	2024	2025	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Trade payables. . . . .	50,539	45,010	10,128	6,158	6,158

As at 31 December 2022, 2023 and 2024 and 30 June 2025, all major trade payables are expected to be settled within one year or are payable on demand.

## (i) Ageing analysis

At the end of each of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Within 30 days . . . . .	50,539	45,010	10,128	6,158

## 24 DIGITAL ASSETS PAYABLES

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Digital assets payables to clients . . .	16,565	105,428	9,397	20,744
Digital assets payables to related parties ( <i>Note 36(d)</i> ) . . . . .	8,294	122,965	166,875	151,220
	<u>24,859</u>	<u>228,393</u>	<u>176,272</u>	<u>171,964</u>
Analysis by maturity				
– within 12 months . . . . .	24,859	228,393	157,849	169,259
– more than 12 months . . . . .	–	–	18,423	2,705
	<u>24,859</u>	<u>228,393</u>	<u>176,272</u>	<u>171,964</u>

The settlement terms of digital assets payables to clients are normally one to two days after trade date or at specific terms agreed with clients. As at 31 December 2022, 2023 and 2024 and 30 June 2025, all major digital assets payables to clients are expected to be settled within one year or are repayable on demand.

Digital assets due to the related parties represent digital assets borrowing. They were unsecured and interest-bearing. As at 31 December 2022, 2023 and 2024 and 30 June 2025, the balances were interest-bearing of 5.2% to 10%, 5.2% to 10%, 3% to 10% and 3% to 10% per annum, respectively on their crypto balance.

## 25 ACCRUALS AND OTHER PAYABLES

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Staff cost related . . . . .	33,419	114,034	223,721	196,916
Others . . . . .	58,450	58,254	122,279	117,825
Accruals and other payables . . . . .	<u>91,869</u>	<u>172,288</u>	<u>346,000</u>	<u>314,741</u>
<b>Analysis by maturity date</b>				
Within 12 months . . . . .	87,459	167,658	340,681	309,271
More than 12 months . . . . .	4,410	4,630	5,319	5,470
	<u>91,869</u>	<u>172,288</u>	<u>346,000</u>	<u>314,741</u>

As at 31 December 2022, 2023 and 2024 and 30 June 2025, all accruals and other payables were unsecured and interest-free.

## 26 CONTRACT LIABILITIES

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Contract liabilities . . . . .	–	–	63,499	188,917
	=	=	=	=

## Movement in contract liabilities

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January . . . . .	–	–	–	63,499
Increase in contract liabilities as a result of receiving listing fees in advance and token distribution . . . . .	–	–	154,473	153,104
Decrease in contract liabilities as a result of recognising revenue during the year . . . . .	–	–	(90,974)	(27,686)
	=	=	=	=
	=	=	=	=

In 2024, the Group introduced a gas token, HashKey Platform token (“HSK”). The HSK can be used to redeem it for services through the Group’s trading platform and is tradeable on several crypto exchanges. The HSK is issued to HashKey’s business partners (which include employees, liquidity providers, customers, vendors and others who contribute to the growth of HashKey’s business) from time to time. The HSK creates an obligation to provide services in the future when holders redeem their HSK, thus resulting in a performance obligation of HashKey.

The HSK issued is initially recognised as contract liabilities in the Historical Financial Information. The contract liabilities are initially recognised at the corresponding agreed consideration, which (depending on the agreement) may be a fixed monetary amount or the fair value of HSK at the recognition date.

The Group recognised revenue when the HSK is utilised. The Group estimates expected breakage on HSK by taking into consideration the expected utilisation ratio, which is assessed by management based on the latest operations data available. As at 31 December 2024 and 30 June 2025, the expected utilisation ratio adopted for breakage is 5% and 5%.

Contract liabilities as at the end of each reporting period (i.e., representing HSK issued but not yet redeemed) are measured at cost. After their initial recognition, the contract liabilities are not revalued to HSK’s market price.

## 27 LEASES

The Group leases several properties for office use for an average term of 3 to 6 years. The right-of-use asset and the lease liabilities in respect of the lease were recognised at the lease commencement date. The movement of right-of-use assets is detailed in Note 12. The movements in lease liabilities during the Tracking Record Period are as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Carrying amount as at 1 January . . . . .	8,366	72,709	57,420	45,854
Effect of lease concession . . . . .	(557)	–	–	–
Interests charged for the year/period (Note 7(a)) . . . . .	3,886	3,423	2,786	1,057
Additions . . . . .	74,243	–	5,605	–
Modification of lease . . . . .	–	–	–	(4,071)
Rental paid during the year/period . . . . .	(13,698)	(19,007)	(19,880)	(8,673)
Exchange differences . . . . .	469	295	(77)	(77)
Carrying amount as at 31 December/30 June . . . . .	72,709	57,420	45,854	34,090
<b>Represents:</b>				
Current portion . . . . .	15,675	15,206	16,947	15,453
Non-current portion . . . . .	57,034	42,214	28,907	18,637
	72,709	57,420	45,854	34,090

As at 31 December 2022, 2023 and 2024 and 30 June 2025, the lease liabilities were repayable as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Within 1 year . . . . .	15,675	15,206	16,947	15,453
After 1 year but within 2 years . . . .	15,135	14,452	15,575	12,273
After 2 years but within 5 years . . . .	41,899	27,762	13,332	6,364
	57,034	42,214	28,907	18,637
	<u>72,709</u>	<u>57,420</u>	<u>45,854</u>	<u>34,090</u>

## 28 BORROWINGS

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Unsecured short-term loans . . . . .	–	13,861	–	–
	=	<u>13,861</u>	=	=

As at 31 December 2023, the unsecured short-term loans were interest-bearing at 6% per annum and repayable on demand.

## 29 CONVERTIBLE BONDS

### The Group and the Company

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Convertible bonds issued . . . . .	333,192	–	–	–
	<u>333,192</u>	=	=	=

On 22 September 2022, HashKey Holdings Limited issued 42,000,000 convertible bonds for consideration of US\$42,000,000. Of the total convertible bonds issued, 5,600,000, 2,400,000 and 8,000,000 bonds were issued to the ultimate holding company, parent company and a fund managed by a subsidiary of the Group.

### Conversion right

The convertible bonds shall be converted into different types of participating instruments of HashKey Holdings Limited if a Qualified Next Equity Financing (as defined by the underlying agreements) is consumed on or prior to the maturity date or if HashKey Holdings Limited initiates a Voluntary Conversion (as defined by the underlying agreements).

### Redemption right

Unless converted or the consent to extension has been given by both the convertible bonds holder and HashKey Holdings Limited in writing, the Principal Amount (as defined by the underlying agreements) and any accrued but unpaid interest under the convertible bonds shall be due and payable upon 22 September 2024.

Based on the terms and conditions, the convertible bonds were classified as liabilities in the Historical Financial Information.

On 29 December 2023, all convertible bonds were converted into 88,294,959 preferred shares as full settlement. There were no convertible bonds in issue as at 31 December 2023, 2024 and 30 June 2025.

**30 REDEMPTION LIABILITIES****The Group**

Redemption liabilities arise from the terms of the preferred shares issued by the Company and one of its subsidiaries. Since the date of incorporation, the Group has completed several rounds of financing arrangements by issuing preferred shares as below:

	HashQuark Series A	HashQuark Series B	HashKey Series A	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 January 2022 . . . . .	15,501	–	–	15,501
Issue through external financing . . .	–	117,132	–	117,132
Interest expense . . . . .	–	7,508	–	7,508
Foreign exchange movement . . . . .	102	–	–	102
At 31 December 2022 and 1 January 2023 . . . . .	15,603	124,640	–	140,243
Issue through external financing . . .	–	–	398,737	398,737
Issue through convertible bond conversion . . . . .	–	–	446,847	446,847
Interest expense . . . . .	–	9,508	5,217	14,725
Foreign exchange movement . . . . .	17	–	(367)	(350)
At 31 December 2023 and 1 January 2024 . . . . .	15,620	134,148	850,434	1,000,202
Issue through external financing . . .	–	–	235,365	235,365
Allocation to equity component . . .	–	–	(31,218)	(31,218)
Interest expense . . . . .	–	8,517	78,215	86,732
Foreign exchange movement . . . . .	(93)	–	(6,495)	(6,588)
At 31 December 2024 and 1 January 2025 . . . . .	15,527	142,665	1,126,301	1,284,493
Issue through external financing . . .	–	–	379,940	379,940
Allocation to equity component . . .	–	–	(10,899)	(10,899)
Interest expense . . . . .	–	6,300	52,202	58,502
Foreign exchange movement . . . . .	173	–	12,867	13,040
At 30 June 2025 . . . . .	15,700	148,965	1,560,411	1,725,076

**(a) HashQuark Series A and HashQuark Series B**

On 17 July 2020, HashQuark Limited (“HashQuark”), a subsidiary of the Group, issued 4,000,000 series A redeemable preferred shares (“HashQuark Series A”) for a consideration of US\$2,000,000 (equivalent to approximately HK\$15,501,000).

On 9 March 2022, HashQuark issued 5,200,028 series B redeemable preferred shares (“HashQuark Series B”) for a consideration of US\$15,000,000 (equivalent to approximately HK\$117,132,000).

The key features of HashQuark Series A and HashQuark Series B are as follows:

***Conversion right***

HashQuark Series A and HashQuark Series B shall be convertible, at the option of the holder thereof, at any time after the issue date into HashQuark’s ordinary shares or automatically be converted into HashQuark’s ordinary shares upon the closing of a Qualified IPO or a Qualified Token Listing (as defined in the underlying agreement) at the Conversion Price (as defined in the underlying agreement).

***Liquidation preference***

Upon the occurrence of any Liquidation Event (as defined in the underlying agreement), the asset legally available for distribution shall be distributed in the following order:

1. The holders of HashQuark Series B are entitled to receive 100% of the Issue Price plus any declared but unpaid dividend;
2. After the distribution in full for (1), the holders of HashQuark Series A are entitled to receive the higher of (i) 100% of the Issue Price plus any declared but unpaid dividend or (ii) the amount that would be payable on each HashQuark Series A if such share is converted into ordinary shares immediately before such Liquidation Event; and
3. After the distribution in full for (1) and (2), the remaining assets will be distributed proportionally among the holders of HashQuark's ordinary shares.

***Redemption right***

The holders of HashQuark Series B shall have the right to request HashQuark to redeem all or part of the issued and outstanding HashQuark Series B upon the occurrence of certain contingent events including but not limited to the failure of a Qualified IPO or a Qualified Token Listing before 9 March 2027 and any material breaches of the agreements by the Group. The redemption price is determined as 100% of the issue price with an 8% simple interest rate per annum accrued from the Original Issue Date, plus any declared but unpaid dividends.

The redemption rights granted to the holders of HashQuark Series B shall be terminated upon the consummation of a Qualified IPO or a Qualified Token Listing.

***Voting right***

Holder of each HashQuark Series A or HashQuark Series B shall be entitled to such number of votes equals the whole number of HashQuark's ordinary shares into which the HashQuark Series A and HashQuark Series B are converted immediately after the close of business on the record date of the determination of the voting entitlement.

**(b) HashKey Series A**

On 26 September 2023 and 11 October 2023, HashKey Holdings Limited (the "Company") issued 38,574,294 and 9,257,831 preferred shares ("HashKey Series A") for consideration of US\$25,000,000 and US\$6,000,000 respectively (equivalent to approximately HK\$195,459,000 and HK\$46,910,000).

On 29 December 2023, the Company issued 119,154,395 HashKey Series A shares, of which 88,294,959 shares were issued as a result of the conversion of convertible bonds as discussed in Note 29. The remaining 30,859,436 shares were issued for consideration of US\$20,000,000 (equivalent to approximately HK\$156,368,000).

On 22 March 2024, 7 May 2024, 27 June 2024, 5 July 2024 and 12 August 2024, the Company issued 40,368,732 HashKey Series A shares for consideration of approximately US\$30,164,000 (equivalent to approximately HK\$235,365,000). The consideration is settled in cash equivalent to approximately HK\$71,105,000 and the remaining amount in USDT.

On 13 January 2025, 14 January 2025, 24 January 2025 and 19 May 2025, the Company issued 72,518,870 HashKey Series A shares for consideration of US\$48,400,000 (equivalent to approximate HK\$379,940,000). The consideration is settled in cash equivalent to approximately HK\$361,100,000 and the remaining amount in Tether ("USDT").

The key features of HashKey Series A are as follows:

***Conversion right***

HashKey Series A shall be convertible, at the option of the holder thereof, at any time after the issue date into the Company's ordinary shares or automatically be converted into the Company's ordinary shares immediately prior to the consummation of a Public Offering (as defined in the underlying agreement) at the Conversion Price (as defined in the underlying agreement).

**Liquidation preference**

Upon the occurrence of any voluntary or involuntary liquidation, dissolution, winding of the Company, or Deemed Liquidation Event (as defined in the underlying agreement), the assets of the Company available for distribution shall be first distributed to the holders of HashKey Series A for an amount per share equal to the Original Issue Price plus any dividends declared but unpaid thereon. The remaining assets will be distributed proportionally among the holders of the Company's ordinary shares and HashKey Series A on an as-if-converted basis.

**Redemption right**

The holders of HashKey Series A shall have the right to request the Company to redeem all or part of the issued and outstanding HashKey Series A upon the occurrence of certain contingent events including but not limited to the failure of a Qualified Exit Event (as defined in the underlying agreement) before 30 June 2028 and any material breaches of the agreements by the Group. The redemption price is determined by the 100% of the issue price with an 8% compound interest rate per annum.

The redemption rights granted to the holders of HashKey Series A shall be terminated upon the consummation of a Public Offering.

**Voting right**

Holder of each HashKey Series A shall be entitled to such number of votes as equals the whole number of the Company's ordinary shares into which the HashKey Series A are converted immediately after the close of business on the record date of the determination of the voting entitlement.

The Company's obligation to redeem HashKey Series A for cash upon events that are beyond the control of both the Company and the preferred shareholders gives rise to financial liabilities. The financial liabilities are measured at the highest redemption price (on a present value basis) that could be payable by the Company from time to time. Any changes in the carrying amount of the financial liabilities arising from remeasurement of the redemption amount are recognised in profit or loss and presented in "interest expenses".

**The Company**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Redemption liabilities arising from preferred shares issued . . . . .	–	850,434	1,126,301	1,560,411

Redemption liabilities arising from preferred shares issued by the Company contain the same clauses as disclosed above under HashKey Series A.

**31 AMOUNTS DUE FROM RELATED PARTIES****The Group**

Refer to Note 36 for details of material transactions with related parties of the Group.

**The Company**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Amount due from subsidiaries</b>				
– interest-free and on demand . . . . .	544,724	895,626	1,142,542	1,521,960
<b>Amount due from the ultimate holding company</b>				
– interest-free and on demand . . . . .	79	78	55	55

**32 SHARE-BASED PAYMENT**

During the Track Record Period, the Group has two share option schemes, each under HashKey Holdings Limited and HashQuark Limited.

During the years ended 31 December 2022, 2023 and 2024, and six months ended 30 June 2024 and 2025, the Group recognised a share-based payment expense approximately of HK\$3,555,000, HK\$10,430,000, HK\$566,208,000, HK\$500,236,000 and HK\$2,571,000 respectively.

**(a) Share option scheme under HashKey Holdings Limited**

The share option scheme of HashKey Holdings Limited was adopted on 18 February 2024 (the “HHL Scheme”). The HHL Scheme is designed to recognise the contributions of eligible individuals. Each option under the HHL Scheme gives the holder the right to subscribe for one ordinary share of HashKey Holdings Limited and is settled gross in shares. The HHL Scheme is recognised as equity-settled share-based payment.

***Vesting condition***

Options granted under the HHL Scheme have different vesting conditions as described below.

***Plan I***

- 100% of the granted share options shall vest on the grant date immediately.

***Plan II***

- 25% of the granted share options will vest on each of the first, second, third, and fourth anniversaries of the commencement date, which is mutually agreed upon by the Group and eligible individuals.

***Plan III***

- 50% of the granted share options shall vest on the grant date immediately;
- 25% of the granted share options shall vest on each of the first and second anniversary of the commencement date, which is mutually agreed upon by the Group and eligible individuals.

***Non vesting condition***

Options shall not be exercisable to convert to shares until the earlier of the consummation of an eligible public offering or trade sale of the Company.

- (i) The terms and conditions of the grants are as follows:

	Number of share options granted	Vesting condition	Contractual life of options
Options granted in			
– 2024 . . . . .	73,671,426	Plan I	10 years
– 2024 . . . . .	133,167,841	Plan II	10 years
– 2024 . . . . .	53,999,998	Plan III	10 years
– First half of 2025 . . . . .	9,444,701	Plan II	10 years
<b>Total share options granted . . .</b>	<b>270,283,966</b>		

(ii) The number and weighted average exercise prices of the share options are as follows:

	2024		2025	
	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options
	US\$	Shares	US\$	Shares
Outstanding at 1 January . . . . .	–	–	0.00001	260,477,658
Granted during the year/period . . . . .	0.00001	260,839,265	0.00001	9,444,701
Forfeited during the year/period . . . . .	0.00001	(361,607)	0.00001	(30,043,484)
Outstanding at 31 December/30 June . . . . .	0.00001	260,477,658	0.00001	239,878,875
Exercisable at 31 December/30 June . . . . .	0.00001	–	0.00001	–

The options outstanding as at 31 December 2024 and 30 June 2025 had a weighted average remaining life of 8.25 and 7.79 years, respectively.

(iii) Fair value of share options and assumptions

The fair value of the options was determined at the date of grant using Black-Scholes model together with the equity allocation method, taking into account the terms and conditions of the options granted.

The following key assumptions were used to calculate the fair value of the share options

	2024	2025
Fair value . . . . .	US\$0.311-0.440	US\$0.314
Exercise price . . . . .	US\$0.00001	US\$0.00001
Share price at grant date . . . . .	US\$0.311-0.440	US\$0.314
Expected volatility . . . . .	84.40%-86.05%	82.88%
Option life . . . . .	10 years	10 years
Dividend yield . . . . .	0%	0%
Risk-free interest rate . . . . .	2.94%-3.32%	3.29%

The expected volatility was estimated based on the historical volatility of comparable companies. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Certain share options were granted under a service condition which requires the counterparty to complete one to four years of service with the grant company. This condition has not been taken into account in the grant date fair value measurement of the services received. There was no market conditions associated with the share option grants.

**(b) Share option scheme under HashQuark Limited**

The share option scheme of HashQuark Limited was adopted on 1 June 2021 (the “Quark Scheme”). The Quark Scheme is designed to recognise the contributions of eligible individuals. Each option under the Quark Scheme gives the holder the right to subscribe for one ordinary share of HashQuark Limited and is settled gross in shares. The Quark Scheme is recognised as equity-settled share-based payment.

*Vesting condition*

Options granted under the Quark Scheme have vesting conditions as described below:

- Plan I — 25% of the granted share options shall vest on each of the first, second, third and fourth anniversaries of the commencement date, which is mutually agreed upon by the Group and eligible individuals.

(i) *The terms and conditions of the grants are as follows:*

	Number of share options granted	Vesting condition	Contractual life of options
Options granted in			
– 2021 . . . . .	3,484,000	Plan I	10 years
– First half of 2025 . . . . .	<u>520,000</u>	Plan I	10 years
<b>Total share options granted . . . . .</b>	<u><u>4,004,000</u></u>		

(ii) *Details of the share options vested, cancelled and modification*

	2022		2023		2024		2025	
	Weighted average exercise price	Number of share options						
	US\$	Shares	US\$	Shares	US\$	Shares	US\$	Shares
Outstanding at 1 January . . . . .	0.57	3,484,000	0.57	3,484,000	0.57	3,484,000	0.57	3,484,000
Granted during the year . . . . .	–	–	–	–	–	–	3.51	520,000
Forfeited during the year . . . . .	–	–	–	–	–	–	<u>3.51</u>	<u>(5,200)</u>
Outstanding at 31 December/ 30 June . . . . .	<u>0.57</u>	<u>3,484,000</u>	<u>0.57</u>	<u>3,484,000</u>	<u>0.57</u>	<u>3,484,000</u>	<u>0.95</u>	<u>3,998,800</u>
Exercisable at 31 December/ 30 June . . . . .	<u>0.57</u>	<u>871,000</u>	<u>0.57</u>	<u>1,742,000</u>	<u>0.57</u>	<u>2,613,000</u>	<u>0.57</u>	<u>3,484,000</u>

The options outstanding as at 31 December 2022, 2023 and 2024 and 30 June 2025 had a weighted average remaining life of 8.42, 7.42, 6.42 and 6.36 years, respectively.

(iii) *Fair value of share options and assumptions*

The fair value of the options was determined at the date of grant using the binomial approach, which is being a subtype of Polynomial Model, taking into account the terms and conditions upon which the options were granted.

The following key assumptions were used to calculate the fair value of the share options:

	2021	2025
Fair value . . . . .	US\$0.66-0.79	US\$1.46
Exercise price . . . . .	US\$0.57	US\$3.51
Share price . . . . .	US\$0.89	US\$2.02
Expected volatility . . . . .	122.77%	114.42%
Option life . . . . .	10 years	10 years
Dividend yield . . . . .	0%	0%
Risk-free interest rate . . . . .	1.48%	3.73%

The expected volatility was estimated based on the historical volatility of comparable companies. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There was no market conditions associated with the share option grants.

### 33 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Reconciliation of loss before tax to net cash used in operations:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
				(unaudited)	
<b>Loss before tax</b> . . . . .	(583,989)	(575,967)	(1,183,470)	(769,708)	(504,700)
Adjustments for:					
Depreciation and amortisation . .	25,588	29,190	30,653	15,669	22,350
Equity-settled share-based payment expenses . . . . .	3,555	10,430	566,208	500,236	2,571
Revenue not settled in cash and cash equivalents . . . . .	(65,765)	(48,531)	(448,020)	(291,454)	(210,815)
Expenses not settled in cash and cash equivalents . . . . .	–	–	183,712	96,179	129,966
Loss from disposal of subsidiary . . . . .	2,911	–	–	–	–
Fair value loss/(gain) on digital assets . . . . .	179,760	(121,192)	(31,240)	23,027	42,622
Fair value (gain)/loss on financial instruments . . . . .	(20,862)	75,766	75,440	(2,200)	8,556
Exchange differences . . . . .	(24,952)	(6,677)	(20,372)	(3,029)	13,670
Interest income . . . . .	(7,736)	(6,600)	(21,631)	(8,268)	(20,362)
Write down of inventory – digital assets . . . . .	–	–	7,941	–	11,021
Impairment . . . . .	59,426	21,072	–	–	68
Finance costs . . . . .	21,572	36,270	169,278	90,513	87,993
Share of net loss from an associate . . . . .	12,601	13,525	6,893	8,943	14,290
<b>Operating cash flow before working capital changes</b> . . .	(397,891)	(572,714)	(664,608)	(340,092)	(402,800)
Changes in accruals and other payables . . . . .	16,924	80,419	174,265	125,147	63,402
Changes in amounts due from related parties . . . . .	(9,367)	(9,113)	346	13,999	(11,566)
Changes in amounts due to related parties . . . . .	89,300	(33,288)	23,042	(29,590)	(10,411)
Changes in digital assets . . . . .	43,302	215,993	298,321	173,971	94,499
Changes in intangible assets – digital assets . . . . .	42,289	71,382	36,595	–	9,834
Changes in prepayments and deposits . . . . .	1,717	(14,017)	5,044	(20,844)	(6,333)
Changes in trade receivables . . .	22,900	(6,850)	(21,436)	(2,511)	1,005
Changes in trade payables . . . .	47,359	(5,529)	(34,882)	(44,464)	(3,970)
<b>Cash used in operations</b> . . . .	(143,467)	(273,717)	(183,313)	(124,384)	(266,340)
Tax paid . . . . .	–	–	–	–	–
<b>Net cash used in operating activities</b> . . . . .	(143,467)	(273,717)	(183,313)	(124,384)	(266,340)

## (b) Reconciliation of liabilities arising from financing activities:

	Convertible bonds	Redemption liabilities	Lease liabilities	Borrowings	Amount due to related parties	Total
	Note 29 HK\$'000	Note 30 HK\$'000	Note 27 HK\$'000	Note 28 HK\$'000	Note 36 HK\$'000	HK\$'000
<b>At 1 January 2022</b> . . . . .	–	15,501	8,366	–	629,625	653,492
<b>Changes from financing cash flows:</b>						
Capital element of lease rentals paid . . . . .	–	–	(9,812)	–	–	(9,812)
Interest element of lease rentals paid . . . . .	–	–	(3,886)	–	–	(3,886)
Proceeds from borrowing from related parties . . . . .	–	–	–	–	6,844	6,844
Proceeds from the issuance of convertible bonds . . . . .	235,463	–	–	–	–	235,463
Proceeds from the issuance of preferred shares . . . . .	–	117,132	–	–	–	117,132
<b>Total changes from financing cash flows</b> . . . . .	<u>235,463</u>	<u>117,132</u>	<u>(13,698)</u>	<u>–</u>	<u>6,844</u>	<u>345,741</u>
<b>Exchange adjustments</b> . . . . .	<u>(1,665)</u>	<u>102</u>	<u>469</u>	<u>–</u>	<u>(29,510)</u>	<u>(30,604)</u>
<b>Other changes:</b>						
Finance costs . . . . .	–	7,508	3,886	–	5,001	16,395
Receivables from the issuance of convertible bonds . . . . .	23,546	–	–	–	–	23,546
Fair value loss . . . . .	5,208	–	–	–	–	5,208
Settlement of amount due to related parties from the issuance on convertible bonds and ordinary shares . . . . .	62,791	–	–	–	(354,086)	(291,295)
Movement of amount due to related parties from operating activities . . . . .	–	–	–	–	89,300	89,300
Digital assets received from the issuance of convertible bonds . . . . .	7,849	–	–	–	–	7,849
Increase in lease liabilities from entering into new leases during the year . . . . .	–	–	74,243	–	–	74,243
COVID-19-related rent concessions received . . . . .	–	–	(557)	–	–	(557)
<b>Total other changes</b> . . . . .	<u>99,394</u>	<u>7,508</u>	<u>77,572</u>	<u>–</u>	<u>(259,785)</u>	<u>(75,311)</u>
<b>At 31 December 2022</b> . . . . .	<u>333,192</u>	<u>140,243</u>	<u>72,709</u>	<u>–</u>	<u>347,174</u>	<u>893,318</u>

	Convertible bonds	Redemption liabilities	Lease liabilities	Borrowings	Amount due to related parties	Total
	Note 29 HK\$'000	Note 30 HK\$'000	Note 27 HK\$'000	Note 28 HK\$'000	Note 36 HK\$'000	HK\$'000
<b>At 1 January 2023</b> . . . . .	333,192	140,243	72,709	–	347,174	893,318
<b>Changes from financing cash flows:</b>						
Capital element of lease rentals paid . . . . .	–	–	(15,584)	–	–	(15,584)
Interest element of lease rentals paid . . . . .	–	–	(3,423)	–	–	(3,423)
Proceeds from borrowing from related parties . . . . .	–	–	–	–	217,834	217,834
Proceeds from the issuance of preferred shares . . . . .	–	203,194	–	–	–	203,194
Proceeds from borrowings . . . . .	–	–	–	119,338	–	119,338
Repayment for borrowings . . . . .	–	–	–	(106,011)	–	(106,011)
<b>Total changes from financing cash flows</b> . . . . .	–	203,194	(19,007)	13,327	217,834	415,348
<b>Exchange adjustments</b> . . . . .	–	(350)	295	(452)	(9,040)	(9,547)
<b>Other changes:</b>						
Finance costs . . . . .	–	14,725	3,423	986	14,888	34,022
Settlement of amount due to related parties from the issuance on preferred shares . . . . .	–	195,543	–	–	(195,543)	–
Movement of amount due to related parties from operating activities . . . . .	–	–	–	–	162,255	162,255
Fair value loss . . . . .	113,655	–	–	–	–	113,655
Conversion of convertible bonds . . . . .	(446,847)	446,847	–	–	–	–
<b>Total other changes</b> . . . . .	(333,192)	657,115	3,423	986	(18,400)	309,932
<b>At 31 December 2023</b> . . . . .	–	1,000,202	57,420	13,861	537,568	1,609,051

	Convertible bonds	Redemption liabilities	Lease liabilities	Borrowings	Amount due to related parties	Total
	Note 29 HK\$'000	Note 30 HK\$'000	Note 27 HK\$'000	Note 28 HK\$'000	Note 36 HK\$'000	HK\$'000
<b>At 1 January 2024</b> . . . . .	–	1,000,202	57,420	13,861	537,568	1,609,051
<b>Changes from financing cash flows:</b>						
Capital element of lease rentals paid . . . . .	–	–	(17,094)	–	–	(17,094)
Interest element of lease rentals paid . . . . .	–	–	(2,786)	–	–	(2,786)
Proceeds from borrowing from related parties . . . . .	–	–	–	–	116,453	116,453
Repayment for borrowings from related parties . . . . .	–	–	–	–	(13,807)	(13,807)
Proceeds from the issuance of preferred shares . . . . .	–	71,105	–	–	–	71,105
<b>Total changes from financing cash flows</b> . . . . .	–	71,105	(19,880)	–	102,646	153,871
<b>Exchange adjustments</b> . . . . .	–	(6,588)	(77)	303	(11,784)	(18,146)
<b>Other changes:</b>						
Increase in lease liabilities from entering into new leases during the year . . . . .	–	–	5,605	–	–	5,605
Finance costs . . . . .	–	86,732	2,786	379	67,838	157,735
Movement of amount due to related parties from operating activities . . . . .	–	–	–	–	23,042	23,042
Non-cash proceeds/settlement . . . . .	–	164,260	–	(14,543)	–	149,717
Allocation to equity . . . . .	–	(31,218)	–	–	–	(31,218)
<b>Total other changes</b> . . . . .	–	219,774	8,391	(14,164)	90,880	304,881
<b>At 31 December 2024</b> . . . . .	–	1,284,493	45,854	–	719,310	2,049,657

	Convertible bonds	Redemption liabilities	Lease liabilities	Borrowings	Amount due to related parties	Total
	Note 29 HK\$'000	Note 30 HK\$'000	Note 27 HK\$'000	Note 28 HK\$'000	Note 36 HK\$'000	HK\$'000
<b>At 1 January 2025</b> . . . . .	–	1,284,493	45,854	–	719,310	2,049,657
<b>Changes from financing cash flows:</b>						
Capital element of lease rentals paid . . . . .	–	–	(7,616)	–	–	(7,616)
Interest element of lease rentals paid . . . . .	–	–	(1,057)	–	–	(1,057)
Repayment for borrowings from related parties . . . . .	–	–	–	–	(12,007)	(12,007)
Proceeds from the issuance of preferred shares . . . . .	–	361,100	–	–	–	361,100
<b>Total changes from financing cash flows</b> . . . . .	–	361,100	(8,673)	–	(12,007)	340,420
<b>Exchange adjustments</b> . . . . .	–	13,040	(77)	–	11,693	24,656
<b>Other changes:</b>						
Finance costs . . . . .	–	58,502	1,057	–	16,891	76,450
Modification of lease contracts . . . . .	–	–	(4,071)	–	–	(4,071)
Movement of amount due to related parties from operating activities . . . . .	–	–	–	–	(10,411)	(10,411)
Non-cash proceeds/settlement . . . . .	–	18,840	–	–	–	18,840
Allocation to equity . . . . .	–	(10,899)	–	–	–	(10,899)
<b>Total other changes</b> . . . . .	–	66,443	(3,014)	–	6,480	69,909
<b>At 30 June 2025</b> . . . . .	–	1,725,076	34,090	–	725,476	2,484,642

## (c) Major non-cash transactions

During the year ended 31 December 2022,

- digital assets receivables amounting to approximately HK\$18,776,000, were settled in USDT, which is classified as intangible assets — digital assets and digital assets at fair value through profit or loss in the consolidated statements of financial position.
- 35,000,000 new shares were issued to settle the amount due to existing shareholders of HK\$291,295,000, no cash was received from the share issuance.

During the year ended 31 December 2023,

- digital assets receivables, digital assets payables, digital assets due to related parties and digital assets due to the ultimate holding company amounting to approximately HK\$14,905,000, HK\$88,863,000, HK\$73,178,000 and HK\$38,100,000, respectively, were settled in USDT.
- 88,294,959 and 38,574,294 preferred shares with face value of US\$42,000,000 and US\$25,000,000 were issued as a result of the conversion of convertible bonds and settlement of amounts due to the ultimate holding company. No cash was received resulted from such issuance.

During the year ended 31 December 2024,

- digital assets receivables, digital assets payables, digital assets due to related parties, digital assets due to the ultimate holding company and borrowings of approximately HK\$545,000, HK\$96,689,000, HK\$874,000, HK\$36,677,000 and HK\$14,543,000, respectively, were settled using digital assets which are classified as intangible assets — digital assets, digital assets at fair value through profit or loss or inventory — digital assets in the consolidated statements of financial position.
- the Group acquired intangible assets — other, which was settled in USDT equivalent to HK\$77,360,629.
- 40,368,732 preferred shares for consideration of approximately US\$30,164,000. (equivalent to approximately HK\$236,111,000) were issued, of which approximately HK\$164,260,000 was settled in USDT.

During the period ended 30 June 2025,

- digital assets payables, digital assets due to related parties of approximately HK\$11,347,000, and HK\$20,070,000 respectively, were settled using digital assets which are classified as intangible assets — digital assets, digital assets at fair value through profit or loss or inventory — digital assets in the consolidated statements of financial position.
- 72,518,870 preferred shares for consideration of approximately US\$48,400,000 (equivalent to approximately HK\$379,940,000) were issued, of which approximately HK\$18,840,000 was settled in USDT.

### 34 CAPITAL, RESERVES AND DIVIDENDS

#### (a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company's individual components of equity are set out below:

	Share capital	Share premium	Other reserve	Accumulated losses	Total equity
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>At 1 January 2022</b> . . . . .	78	–	–	(110)	(32)
Issuance of new shares . . . . .	28	291,267	–	–	291,295
Loss and total comprehensive income for the year . . . . .	–	–	–	(8,545)	(8,545)
<b>At 31 December 2022 and 1 January 2023</b> . . . . .	106	291,267	–	(8,655)	282,718
Loss and total comprehensive income for the year . . . . .	–	–	–	(81,533)	(81,533)
<b>At 31 December 2023 and 1 January 2024</b> . . . . .	106	291,267	–	(90,188)	201,185
Issuance of preferred shares . . . . .	–	–	31,218	–	31,218
Equity-settled share-based payments under share option scheme . . . . .	–	–	564,151	–	564,151
Loss and total comprehensive income for the year . . . . .	–	–	–	(657,954)	(657,954)

	Share capital	Share premium	Other reserve	Accumulated losses	Total equity
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>At 31 December 2024 and 1 January 2025</b> . . . . .	106	291,267	595,369	(748,142)	138,600
Issuance of preferred shares . . .	–	–	10,899	–	10,899
Equity-settled share-based payments under share option scheme . . . . .	–	–	156	–	156
Loss and total comprehensive income for the period . . . . .	–	–	–	(65,603)	(65,603)
<b>At 30 June 2025</b> . . . . .	<u>106</u>	<u>291,267</u>	<u>606,424</u>	<u>(813,745)</u>	<u>84,052</u>

**(b) Dividend**

During the Track Record Period, no dividend was declared by the Company and any of the subsidiaries.

**(c) Share capital**

	Number of shares	Amount
	<i>'000</i>	<i>HK\$'000</i>
<b>Authorised:</b>		
Ordinary shares of US\$0.0001 each at 1 January 2022, 31 December 2022, 1 January 2023. . . . .	<u>500,000</u>	<u>391</u>
Ordinary shares of US\$0.00001 each at 31 December 2023, 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025 . . . . .	<u>5,000,000</u>	<u>391</u>
<b>Issued and fully paid:</b>		
At 1 January 2022. . . . .	100,000	78
Issuance of new shares. . . . .	<u>35,000</u>	<u>28</u>
At 31 December 2022, 1 January 2023 . . . . .	135,000	106
Impact of 1-to-10 subdivision. . . . .	<u>1,215,000</u>	<u>–</u>
At 31 December 2023, 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025. . . . .	<u>1,350,000</u>	<u>106</u>

On 26 October 2022, 35,000,000 new shares were issued to settle the amount due to existing shareholders of HK\$291,295,000, which was considered as a non-cash transaction. Consequently, HK\$28,000 and HK\$291,267,000 were credited to share capital and share premium respectively.

On 17 August 2023, pursuant to the shareholders' resolution, each Company's ordinary share was subdivided into 10 ordinary shares, the par value of each ordinary share was reduced from US\$0.0001 to US\$0.00001 accordingly.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

**(d) Nature and purposes of reserves****(i) Other reserves**

Other reserves comprise all foreign currency translation differences arising from the translation of the financial statements of foreign operations, the cumulative change for equity-settled share-based payments and the equity components of preferred shares issued (see Note 30).

**(ii) Revaluation reserve**

Revaluation reserve comprises the cumulative fair value surplus arising from the revaluation of intangible assets — digital assets, which are accounted for using revaluation model.

**(iii) Share premium**

Share premium represents amount subscribed for share capital in excess of par value.

**(e) Capital management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain or adjust the capital structure to reduce the cost of capital. The Group may issue new shares in order to maintain or adjust the capital structure. The Group's overall strategy remains unchanged during the Track Record Period.

The business plans of the Group mainly depend on maintaining sufficient funding to meet its expenditure requirements. The Group relies on funding from a variety of sources including loans from third parties and related parties as well as equity financing. Should the Group be unable to obtain sufficient funding, both existing operations of the Group and its development plans could be impacted.

The principal subsidiaries of the Group, which are licensed under (i) the Securities and Futures Ordinance ("SFO") by the Securities and Futures Commission in Hong Kong, (ii) the Digital Asset Business Act 2018 ("the Act") by the Bermuda Monetary Authority, (iii) the Securities and Futures Act 2001 ("SFA") and Payment Services Act 2019 ("PS Act") by the Monetary Authority of Singapore, and (iv) the Virtual Assets and Related Activities Regulations 2023 (the "Regulations") by the Dubai Virtual Assets Regulatory Authority, are required to maintain adequate financial resources to support their businesses. The Securities and Futures (Financial Resources) Rules require a licensed corporation to maintain liquid capital which is not less than its required liquid capital. The Act requires a licensed corporation to maintain minimum net assets in the amount of US\$3,200,000 or its value equivalents and minimum capital ratio of 1.25:1 at all times. Under the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations, a holder of a Capital Markets Services ("CMS") licence must at all times maintain financial resources not less than its total risk requirements, and ensure that its adjusted net head office funds are not less than the prescribed minimum base capital. The minimum base capital is S\$250,000 for fund management companies carrying on fund management for accredited and institutional investors. For entities licensed as a Major Payment Institution ("MPI") under the PS Act, the Monetary Authority of Singapore requires the licensee to maintain base capital of at least S\$250,000, and there is regulatory guidance that the licensed entity's base capital must be sufficient to cover 6-12 months of operating expenses, together with other safeguarding requirements under the PS Act and the Payment Services Regulations, on an ongoing basis. The Regulations requires a licensed corporation to maintain net liquid assets worth at least 1.2 times its monthly operating expenses. During the Track Record Period, the Group's licensed subsidiaries have maintained adequate liquid capital to meet their respective requirement. As at 30 June 2025, certain Group's licensed subsidiaries were regulated by the Securities and Futures Commission, the Bermuda Monetary Authority, the Monetary Authority of Singapore and the Dubai Virtual Assets Regulatory Authority, and complied with the relevant statutory capital requirements in those jurisdictions.

In response to the above, the Group regularly reviews major funding positions of regulated subsidiaries to ensure that they have adequate financial resources in meeting their financial obligations and relevant regulatory requirements of the Group entities and seek to diversify its funding sources as appropriate.

**35 RISK DISCLOSURE**

The Group's core business comprises digital asset exchange platforms, brokerage services, management of venture capital funds, Web3 infrastructure services business and technology services.

**(a) Risk management of the digital assets and blockchain platform business****(i) Price risk of digital assets**

The Group holds digital assets in order to facilitate and support the settlement process of the digital asset trading business. Price volatility of digital assets may have a significant impact on the Group's performance. To manage these risks, the level of digital asset holdings is controlled by limits based on volatility, position size and liquidity, as approved by the management.

*Sensitivity*

The following table indicates the instantaneous change in the Group's loss before tax (and retained profits/(accumulated losses)) and other equity component that would arise if the price of digital assets held by the Group had increase/decreased by 10% at the end of each reporting period, assuming all other risk variables remained constant. Considering the strong positive correlation in the prices of different digital assets, the sensitivity analysis is performed on the basis that all digital assets held by the Group were increased/decreased in same direction and percentage.

	As at 31 December 2022		As at 31 December 2023		As at 31 December 2024		As at 30 June 2025	
	Loss before taxation	Other equity	Loss before taxation	Other equity	Loss before taxation	Other equity	Loss before taxation	Other equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	12,423	3,389	9,693	14,380	10,048	20,152	19,244	4,214
10% . . . . .	Improve	Improve	Improve	Improve	Improve	Improve	Improve	Improve
	14,289	1,523	16,591	7,482	13,203	16,997	12,204	11,254
(10%) . . . . .	Worsen	Worsen	Worsen	Worsen	Worsen	Worsen	Worsen	Worsen

The Group also holds digital assets that are not yet withdrawn by customers out of their accounts under the terms of its contracts with such customers. These digital assets are held in the Group's wallets which support rapid settlement of transactions, thereby minimising settlement risk for the Group. According to the respective rights and obligations arising from the underlying terms and conditions with such customers, digital assets held on behalf of clients are not recognised in the Historical Financial Information as explained in Note 2(i)(b). Therefore, the Group has no price volatility exposure from these holdings.

**(ii) Risk related to safekeeping of assets**

The Group maintains digital assets in both "hot" (connected to the Internet) and "cold" (not connected to the Internet) wallets. "Hot" wallets are more susceptible to cyber-attacks or potential theft due to the fact they are connected to the public internet. To mitigate such risks, the Group has implemented guidelines and risk control protocols to adjust the level of digital assets maintained in "hot" wallets required to facilitate settlement.

**(iii) Credit risk**

In connection with the operation of the Group's digital asset trading business, the Group may enter into pre-funding arrangements, extended settlement arrangements or digital asset lending arrangements with trading clients and counterparties (including third party digital asset trading platforms and exchanges), which may expose the Group to credit risk. Credit risk in this context is the risk of non-repayment, non-performance or default by a counterparty in respect of its obligations to the Group in relation to the relevant digital asset transactions.

Management is responsible for managing the Group's credit risk exposure associated with its digital asset trading businesses. To mitigate or reduce such credit risks, trading limits, settlements limits, collateral requirements and other counterparty limits are set and monitored by the management in accordance with policies and procedures.

**(b) Financial risk management***Financial risk factors*

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the executive directors of the Group. The executive directors identify and evaluate financial risks in close cooperation with the operating units of the Group.

*(i) Market risk***(1) Foreign exchange risk**

The Group operates across the globe including Hong Kong, Bermuda, Singapore, Japan and the UAE. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the individual group companies and net investments in foreign operations.

As at 31 December 2022, 2023 and 2024 and 30 June 2025, most of the financial assets and liabilities of the Group's subsidiaries are denominated in their respective functional currencies.

There are certain United States dollar ("US\$") financial assets and liabilities held by the Company and its subsidiaries with HK\$ as functional currency. Since HK\$ is pegged to the US\$, management considers the foreign exchange risk arising from such financial assets and liabilities to the Group is not significant. Hence, the directors consider the Group does not have any material foreign exchange risk exposure, hence no sensitivity analysis is presented.

**(2) Interest rate risk**

The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing assets and liabilities. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. In the opinion of the management, the expected change in fair values as a result of change in market interest rates will not be significant, thus no sensitivity analysis is presented.

Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. The Group's assets and liabilities, which bear variable interest rates mainly include bank deposits. Accordingly, there is no significant cash flow interest rate risk arising from financial instruments. Management manages the interest rate risk exposure through regular review to determine the treasury and investment strategy as appropriate to its current business profile.

*(ii) Credit risk*

The Group's credit risk is primarily attributable to trade receivables (including accounts receivable), deposits and other receivables, amounts due from related parties and cash and cash equivalents included in the consolidated statement of financial position, which represent the Group's maximum exposure to credit risk in relation to its financial assets. Management has credit policies in place to monitor the exposures to these credit risks on an ongoing basis.

**Trade receivables**

As discussed in Note 17, trade receivables mainly comprise of receivables from fund management and a receivable from FTX. As at 31 December 2022 and 2023, the receivable from FTX accounted for 94% and 84% of total trade receivables. Excluding the exposure to FTX, management considers the credit risk from remaining balances were not material.

The expected credit losses recognised for trade receivables as at 31 December 2022, 2023, 2024 and 30 June 2025 are presented in Note 17.

## Deposits and other receivables

For deposits and other receivables, management considers the credit risk is not significant as the counterparties are with high credit-quality ratings and the balance is with a short maturity date. The expected credit loss for deposits and other receivables is close to zero and the Group did not recognise any expected credit loss as at 31 December 2022, 2023, 2024 and 30 June 2025.

## Amounts due from related parties

Management considers the credit risk for amounts due from related parties is not significant as the counterparties are with strong financial strength and the balance is with a short maturity date. The expected credit loss is close to zero as at 31 December 2022, 2023, 2024 and 30 June 2025. Accordingly, no expected credit loss was recognised.

## Cash and cash equivalents

To manage the risk arising from cash and cash equivalents, the Group transacts with reputable financial institutions, which are high credit-quality banks or other financial institutions where a certain level of deposits is insured by the relevant regulators. The expected credit loss is close to zero as at 31 December 2022, 2023, 2024 and 30 June 2025. Accordingly, no expected credit loss was recognised.

## (iii) Price risk

In addition to the price risk that arises from digital assets, the Group is exposed to price risk arising from investments held, including unlisted equity securities, unlisted fund investment and an Exchange Listed Fund.

## Sensitivity

At 31 December 2022, 2023 and 2024, and 30 June 2025, if the prices of the investments held by the Group had increased/decreased by 10% in the principal markets with other variables held constant, the Group's loss before taxation and equity would have been higher or lower as follow:

	As at 31 December 2022		As at 31 December 2023		As at 31 December 2024		As at 30 June 2025	
	Loss before taxation	Other equity	Loss before taxation	Other equity	Loss before taxation	Other equity	Loss before taxation	Other equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	44,760		44,760		41,716		40,863	
10% . . . . .	Improve	–	Improve	–	Improve	–	Improve	–
	44,760		44,760		41,716		40,863	
(10%) . . . . .	Worsen	–	Worsen	–	Worsen	–	Worsen	–

## (c) Fair value measurement and fair value hierarchy

The following tables present the fair value of the Group's certain assets and liabilities measured at fair value at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and the 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.

## (i) Fair value hierarchy for financial instruments measured at fair value

	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial assets measured at fair value through profit or loss</b>				
– Unlisted investment – common shares . . . . .	–	–	447,603	447,603
	=	=	=	=
<b>Financial liabilities measured at fair value through profit or loss</b>				
– Convertible bond . . . . .	–	–	333,192	333,192
	=	=	=	=
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial assets measured at fair value through profit or loss</b>				
– Unlisted investment – common shares . . . . .	–	–	447,603	447,603
<b>Derivative</b>				
– Unlisted option . . . . .	–	–	37,889	37,889
	–	–	485,492	485,492
	=	=	=	=
	As at 31 December 2024			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial assets measured at fair value through profit or loss</b>				
– Unlisted investment – common shares . . . . .	–	–	388,414	388,414
– Exchange Listed Fund . . . . .	25,660	–	–	25,660
– Unlisted fund investment . . . . .	–	–	3,083	3,083
	25,660	–	391,497	417,157
	=	=	=	=
	As at 30 June 2025			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial assets measured at fair value through profit or loss</b>				
– Unlisted investment – common shares . . . . .	–	–	388,414	388,414
– Exchange Listed Fund . . . . .	17,480	–	–	17,480
– Unlisted fund investment . . . . .	–	–	2,736	2,736
	17,480	–	391,150	408,630
	=	=	=	=

During the Track Record Period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfer between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The movements of Level 3 financial assets during the Track Record Period are as follows:

	Unlisted investment – common shares	Unlisted investment – convertible preferred shares	Derivative	Unlisted fund investment	Total equity
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>At 1 January 2022</b> . . . . .	421,426	107	–	–	421,533
Fair value changes . . . . .	<u>26,177</u>	<u>(107)</u>	<u>–</u>	<u>–</u>	<u>26,070</u>
<b>At 31 December 2022 and 1 January 2023</b> . . . . .	447,603	–	–	–	447,603
Fair value changes . . . . .	<u>–</u>	<u>–</u>	<u>37,889</u>	<u>–</u>	<u>37,889</u>
<b>At 31 December 2023 and 1 January 2024</b> . . . . .	447,603	–	37,889	–	485,492
Addition . . . . .	–	–	–	3,943	3,943
Settlement . . . . .	–	–	(21,577)	–	(21,577)
Fair value changes . . . . .	<u>(59,189)</u>	<u>–</u>	<u>(16,312)</u>	<u>(860)</u>	<u>(76,361)</u>
<b>At 31 December 2024 and 1 January 2025</b> . . . . .	388,414	–	–	3,083	391,497
Fair value changes . . . . .	<u>–</u>	<u>–</u>	<u>–</u>	<u>(347)</u>	<u>(347)</u>
<b>At 30 June 2025</b> . . . . .	<u>388,414</u>	<u>–</u>	<u>–</u>	<u>2,736</u>	<u>391,150</u>

The movements of Level 3 financial liabilities during the Track Record Period are as follows:

	Convertible bonds issued	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>At 1 January 2022</b> . . . . .	–	–
Issued during the year . . . . .	329,649	329,649
Fair value changes . . . . .	5,208	5,208
Exchange adjustment . . . . .	<u>(1,665)</u>	<u>(1,665)</u>
<b>At 31 December 2022 and 1 January 2023</b> . . . . .	333,192	333,192
Fair value changes . . . . .	113,655	113,655
Settlement through conversion . . . . .	<u>(446,847)</u>	<u>(446,847)</u>
<b>At 31 December 2023, 1 January 2024, 31 December 2024, 1 January 2024 and 30 June 2025</b> . . . . .	<u>–</u>	<u>–</u>

Information about Level 3 fair value measurements:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
<b>Unlisted investment – common shares</b>				
– Valuation techniques . . . . .	Recent Transaction	Recent Transaction	Recent Transaction	Recent Transaction
– Significant unobservable inputs . . .	Transaction price	Transaction price	Transaction price	Transaction price
– Range . . . . .	N/A	N/A	N/A	N/A
– Relationship of unobservable input to fair value . . . . .	Positive	Positive	Positive	Positive
<b>Unlisted fund investment</b>				
– Valuation techniques . . . . .	N/A	N/A	Net asset value	Net asset value
– Significant unobservable inputs . . .	N/A	N/A	Net asset value	Net asset value
– Range . . . . .	N/A	N/A	N/A	N/A
– Relationship of unobservable input to fair value . . . . .	N/A	N/A	Positive	Positive
<b>Derivative – unlisted option</b>				
– Valuation techniques . . . . .	N/A	Cost approach	N/A	N/A
– Significant unobservable inputs . . .	N/A	Fair value of underlying financial instrument	N/A	N/A
– Amount . . . . .	N/A	US\$10 per share	N/A	N/A
– Relationship of unobservable input to fair value . . . . .	N/A	Positive	N/A	N/A
<b>Unlisted investment – convertible bonds</b>				
– Valuation techniques . . . . .	Recent transaction	N/A	N/A	N/A
– Significant unobservable inputs . . .	Transaction price	N/A	N/A	N/A
– Amount . . . . .	US\$1 per unit	N/A	N/A	N/A
– Relationship of unobservable input to fair value . . . . .	Positive	N/A	N/A	N/A

The fair value of unlisted common shares, unlisted fund investment and unlisted convertible bonds has been determined using the individual inputs as disclosed above. As such, sensitivity analysis does not provide meaningful analysis.

The significant unobservable input used in the fair value measurement for unlisted option was the fair value of the underlying financial instrument. As at 31 December 2023, it is estimated that with all other variables held constant, an increase/decrease in the fair value of the underlying financial instrument by 10% would have increased/decreased the fair value of unlisted option by approximately HK\$5,076,000 and HK\$4,960,000 respectively.

*(ii) Fair value for financial instruments carried at other than fair value*

The carrying amounts for the Group's financial instruments at amortised cost were not materially different from their fair values as at 31 December 2022, 2023 and 2024 and 30 June 2025.

*(iii) Fair value hierarchy for digital assets and related liabilities measured at fair value*

The fair value of intangible assets – digital assets and digital assets measured at fair value through profit or loss are referenced to the quoted price in the principal market. Certain types of digital assets are not traded in an active market for fiat currency but with another type of digital assets only. In such case, the fair value is determined by referencing to the quoted price of the other digital assets and measured at Level 2.

Fair value of digital assets receivables and related liabilities are referenced to the quoted price of the underlying digital assets to be received or repaid.

The following table presents the fair value and the corresponding hierarchy for digital assets and related liabilities measured at fair value:

	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Asset</b>				
Intangible assets – digital assets . . .	117,452	1,198	–	118,650
Digital assets measured at fair value through profit or loss . . . . .	58,869	1,281	–	60,150
Digital assets receivable . . . . .	–	4,179*	–	4,179
	<u>176,321</u>	<u>6,658</u>	<u>–</u>	<u>182,979</u>
<b>Liabilities</b>				
Digital assets payables . . . . .	–	24,859*	–	24,859
	<u>–</u>	<u>24,859</u>	<u>–</u>	<u>24,859</u>

\* As at 31 December 2022, digital assets receivable of approximately HK\$4,144,000 and related liabilities of approximately HK\$23,914,000 are referenced to underlying quoted price of digital assets with active markets.

	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Asset</b>				
Intangible assets – digital assets . . .	164,949	1,428	–	166,377
Digital assets measured at fair value through profit or loss . . . . .	297,803	3,066	–	300,869
Digital assets receivable . . . . .	–	1,875*	–	1,875
	<u>462,752</u>	<u>6,369</u>	<u>–</u>	<u>469,121</u>
<b>Liabilities</b>				
Digital assets payables . . . . .	–	228,393*	–	228,393
	<u>–</u>	<u>228,393</u>	<u>–</u>	<u>228,393</u>

\* As at 31 December 2023, digital assets receivable of approximately HK\$1,201,000 and related liabilities of approximately HK\$228,066,000 are referenced to underlying quoted price of digital assets with active markets.

	As at 31 December 2024			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Asset</b>				
Intangible assets – digital assets . . .	219,792	10,098	–	229,890
Digital assets measured at FVTPL . .	244,687	1,324	–	246,011
Digital assets receivable . . . . .	–	2,375*	–	2,375
	<u>464,479</u>	<u>13,797</u>	<u>–</u>	<u>478,276</u>
<b>Liabilities</b>				
Digital assets payables . . . . .	–	176,272*	–	176,272
	<u>–</u>	<u>176,272</u>	<u>–</u>	<u>176,272</u>

\* As at 31 December 2024, digital assets receivable of approximately HK\$1,255,000 and related liabilities of approximately HK\$176,054,000 are referenced to underlying quoted price of digital assets with active markets.

	As at 30 June 2025			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Asset</b>				
Intangible assets – digital assets . . .	154,359	1,320	–	155,679
Digital assets measured at FVTPL . .	248,994	610	–	249,604
Digital assets receivable . . . . .	–	1,272*	–	1,272
	<u>403,353</u>	<u>3,202</u>	<u>–</u>	<u>406,555</u>
<b>Liabilities</b>				
Digital assets payables . . . . .	–	171,964*	–	171,964
	<u>–</u>	<u>171,964</u>	<u>–</u>	<u>171,964</u>

\* As at 30 June 2025, digital assets receivable of approximately HK\$522,000 and related liabilities of approximately HK\$162,259,000 are referenced to underlying quoted price of digital assets with active markets.

During the Track Record Period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

(iv) *Fair value for digital assets and related liabilities carried at other than fair value*

There were no digital assets and related liabilities carried at other than fair value as at 31 December 2022, 2023.

As at 31 December 2024 and 30 June 2025, “inventory — digital assets” were measured at the lower of cost and net realisable value. The carrying amounts, fair value and the level of fair value hierarchy are disclosed below:

	As at 31 December 2024				
	Carrying amounts	Fair value	Fair value level		
			Level 1	Level 2	Level 3
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Inventory – digital assets . . . . .	<u>44,382</u>	<u>88,250</u>	<u>88,250</u>	<u>–</u>	<u>–</u>

As at 30 June 2025

	Carrying amounts	Fair value	Fair value level		
			Level 1	Level 2	Level 3
			HK\$'000	HK\$'000	HK\$'000
Inventory – digital assets	49,247	54,607	50,774	3,833	–

**(v) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with liabilities. The Group's strategy is to minimise its exposure to liquidity risk by monitoring the Group's liquid capital from time to time by performing cash flow forecast with reference to the monthly operating expenses, recoverability of assets items and outstanding liabilities as of each month end. The Group also holds digital assets that are not yet withdrawn by customers out of their accounts under the terms of its contracts with such customers. The Group closely monitors the exposure of digital assets payables to identify any mismatch with digital assets held by the Group, thereby minimising liquidity risk for the Group.

The table below analyses the remaining contractual maturities at the end of each reporting period of the Group's liabilities which are based on contractual maturities and the earliest date the Group may be required to pay.

At 31 December 2022

	Contractual undiscounted cash outflow					Carrying amount at 31 Dec
	With 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>Financial liabilities</b>						
Trade payables . . . . .	50,539	–	–	–	50,539	50,539
Accruals and other payables . . . . .	87,459	–	4,410	–	91,869	91,869
Lease liabilities . . . . .	18,850	17,561	45,041	–	81,452	72,709
Redemption liabilities . . . . .	140,243	–	–	–	140,243	140,243
Convertible bonds . . . . .	–	378,559	–	–	378,559	333,192
Amounts due to related parties . . . . .	347,174	–	–	–	347,174	347,174
	644,265	396,120	49,451	–	1,089,836	1,035,726
<b>Digital assets related liabilities</b>						
Digital assets payables . . . . .	24,859	–	–	–	24,859	24,859
	669,124	396,120	49,451	–	1,114,695	1,060,585

At 31 December 2023

	Contractual undiscounted cash outflow					Carrying amount at 31 Dec
	With 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>Financial liabilities</b>						
Trade payables . . . . .	45,010	–	–	–	45,010	45,010
Accruals and other payables . . . . .	167,658	–	4,630	–	172,288	172,288
Lease liabilities . . . . .	17,627	16,171	29,177	–	62,975	57,420
Redemption liabilities . . . . .	1,000,202	–	–	–	1,000,202	1,000,202
Amounts due to related parties . . . . .	240,446	297,122	–	–	537,568	537,568
Borrowings . . . . .	14,169	–	–	–	14,169	13,861
	<u>1,485,112</u>	<u>313,293</u>	<u>33,807</u>	<u>–</u>	<u>1,832,212</u>	<u>1,826,349</u>
<b>Digital assets related liabilities</b>						
Digital assets payables . . . . .	<u>228,393</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>228,393</u>	<u>228,393</u>
	<u>1,713,505</u>	<u>313,293</u>	<u>33,807</u>	<u>–</u>	<u>2,060,605</u>	<u>2,054,742</u>

At 31 December 2024

	Contractual undiscounted cash outflow					Carrying amount at 31 Dec
	With 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>Financial liabilities</b>						
Trade payables . . . . .	10,128	–	–	–	10,128	10,128
Accruals and other payables . . . . .	340,681	–	5,319	–	346,000	346,000
Lease liabilities . . . . .	18,808	15,968	14,372	–	49,148	45,854
Redemption liabilities . . . . .	1,284,493	–	–	–	1,284,493	1,284,493
Amounts due to related parties . . . . .	432,116	287,194	–	–	719,310	719,310
	<u>2,086,226</u>	<u>303,162</u>	<u>19,691</u>	<u>–</u>	<u>2,409,079</u>	<u>2,405,785</u>
<b>Digital assets related liabilities</b>						
Digital assets payables . . . . .	<u>157,849</u>	<u>18,423</u>	<u>–</u>	<u>–</u>	<u>176,272</u>	<u>176,272</u>
	<u>2,244,075</u>	<u>321,585</u>	<u>19,691</u>	<u>–</u>	<u>2,585,351</u>	<u>2,582,057</u>

At 30 June 2025

	Contractual undiscounted cash outflow					Carrying amount at 30 June HK\$'000
	With 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>Financial liabilities</b>						
Trade payables . . . . .	6,158	–	–	–	6,158	6,158
Accruals and other payables . . . . .	309,271	–	5,470	–	314,741	314,741
Lease liabilities . . . . .	16,628	12,911	6,455	–	35,994	34,090
Redemption liabilities . . . . .	1,725,076	–	–	–	1,725,076	1,725,076
Amounts due to related parties . . . . .	430,218	295,258	–	–	725,476	725,476
	<u>2,487,351</u>	<u>308,169</u>	<u>11,925</u>	<u>–</u>	<u>2,807,445</u>	<u>2,805,541</u>
<b>Digital assets related liabilities</b>						
Digital assets payables . . . . .	169,259	2,705	–	–	171,964	171,964
	<u>2,656,610</u>	<u>310,874</u>	<u>11,925</u>	<u>–</u>	<u>2,979,409</u>	<u>2,977,505</u>

**36 MATERIAL RELATED PARTY TRANSACTIONS****(a) Names and relationships of the related parties that had material transactions with the Group during the Trace Record Period**

Name of parties	Relationship with the Group
GDZ International Limited . . . . .	Ultimate controlling party
XChainX Limited. . . . .	Shareholder
Shanghai Buqin Network Technology Limited* . . . . .	Under common control of ultimate controlling party
Shanghai Wanxiang Blockchain Inc* . . . . .	Under common control of ultimate controlling party
Wanxiang (Hong Kong) Limited . . . . .	Under common control of ultimate controlling party
HashKey FinTech Investment Fund LP . . . . .	Fund managed by a subsidiary
HashKey Blockchain Investment Fund . . . . .	Fund managed by a subsidiary
HashKey Digital Investment Fund SPC . . . . .	Fund managed by a subsidiary
HashKey FinTech Investment Fund III (Cayman Master) LP . . . . .	Fund managed by a subsidiary
HashKey Fintech Opportunities Limited . . . . .	Fund managed by a subsidiary
HashKey FTSE 20 Crypto Index Fund . . . . .	Fund managed by a subsidiary
HashKey FTSE Crypto Application Index Fund . . . . .	Fund managed by a subsidiary
HashKey FTSE Crypto Infrastructure Index Fund . . . . .	Fund managed by a subsidiary
Lu Weiding . . . . .	Director and sole shareholder of GDZ International Limited
Xiao Feng . . . . .	Director and sole shareholder of XChainX Limited

\* The official names of these entities are in Chinese. The English names are for identification purpose only.

**(b) Key management personnel remuneration**

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 9 and certain of the highest paid employees as disclosed in Note 10, is as follows.

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i> <i>(unaudited)</i>	<i>HK\$'000</i>
Salaries, wages and other benefits . . . . .	10,157	29,826	33,774	8,455	9,320
Equity-settled share-based payment . . . . .	–	–	103,694	87,272	9,885
	<u>10,157</u>	<u>29,826</u>	<u>137,468</u>	<u>95,727</u>	<u>19,205</u>

Total remuneration is included in “staff costs” (see Note 7(b)).

**(c) Material transactions with related parties**

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i> <i>(unaudited)</i>	<i>HK\$'000</i>
IT expenses					
– Under common control of ultimate controlling party . . . . .	151,141	157,171	199,803	101,626	97,070
Finance cost					
– to the ultimate holding company . . . . .	5,001	11,215	9,325	1,323	9,050
– Under common control of ultimate controlling party . . . . .	–	644	61,732	46,734	15,992
– Funds managed by a subsidiary . . . . .	672	942	7,637	4,054	2,070
– Director and sole shareholder of GDZ International Limited. . .	–	2,808	106	106	–
Asset management fee income					
– Funds managed by a subsidiary . . . . .	72,172	78,894	78,156	37,653	37,762

## (d) Material balance with related parties

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amounts due from				
– the ultimate holding company (Note i) . . . . .	2,760	4,025	–	–
– Director and sole shareholder of XChainX Limited (Note i) . . . . .	3,022	3,039	–	–
– Under common control of ultimate controlling party (Note i) . . . . .	8,944	18,254	24,817	32,272
– Funds managed by a subsidiary (Note ii) . . . . .	197	–	130	–
	<u>14,923</u>	<u>25,318</u>	<u>24,947</u>	<u>32,272</u>
Amounts due to				
– the ultimate holding company (Note iii) . . . . .	–	–	117,455	118,731
– Director and sole shareholder of GDZ International Limited (Note iii) . . . . .	6,844	9,902	–	–
– Under common control of ultimate controlling party (Note iv) . . . . .	340,330	312,084	391,270	393,792
– Under common control of ultimate controlling party (Note v) . . . . .	–	203,862	202,860	205,120
– Funds managed by a subsidiary (Note v) . . . . .	–	11,720	7,725	7,833
	<u>347,174</u>	<u>537,568</u>	<u>719,310</u>	<u>725,476</u>
Digital assets payable				
– ultimate holding company (Note vi) . . . . .	–	39,246	78,923	81,780
– Funds managed by a subsidiary (Note vi) . . . . .	8,294	83,719	87,952	69,440
	<u>8,294</u>	<u>122,965</u>	<u>166,875</u>	<u>151,220</u>
	<u>Shares</u>	<u>Shares</u>	<u>Shares</u>	<u>Shares</u>
	'000	'000	'000	'000
Convertible bonds				
– ultimate holding company . . . . .	5,600	–	–	–
– shareholder . . . . .	2,400	–	–	–
– Fund managed by a subsidiary . . . . .	8,000	–	–	–
	<u>16,000</u>	<u>–</u>	<u>–</u>	<u>–</u>

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	Shares	Shares	Shares	Shares
	'000	'000	'000	'000
Preferred shares – HashKey Series A				
– ultimate holding company . . . . .	–	50,917	50,917	50,917
– shareholder . . . . .	–	5,290	5,290	5,290
– Fund managed by a subsidiary . . .	–	17,633	17,633	17,633
	–	73,840	73,840	73,840
	=	=	=	=

*Notes:*

- (i) The outstanding balances with these related parties are unsecured, interest-free and repayable on demand. Except balance with companies under common control of ultimate controlling party, all balances are non-trade nature.
- (ii) The outstanding balances with these related parties are trade in nature, unsecured, interest-free and repayable within 12 months.
- (iii) The outstanding balance with these related parties is non-trade nature, unsecured and charged at fixed interest rate at 6.83% to 10% per annum as at 31 December 2022, 2023 and 2024 and 30 June 2025.
- (iv) The outstanding balance represents IT services payable rendered by related parties. They are unsecured and charged at fixed interest rate at 5.87%. As at 31 December 2022, 2023 and 2024 and 30 June 2025, approximately Nil, HK\$297,122,000, HK\$287,194,000 and HK\$295,258,000 were repayable after 1 year.
- (v) The outstanding balance with these related parties is non-trade nature, unsecured and charged at fixed interest rate range from 3.66% to 6% per annum, 4% to 6% per annum and 4% to 6% annum as at 31 December 2023 and 2024 and 30 June 2025.
- (vi) The outstanding balances with these related parties are non-trade in nature, denominated in digital assets, unsecured and charged at fixed interest rate range at 5.2% per annum, from 5.2% to 10% per annum, 3% to 10% per annum and 3% to 10% per annum as at 31 December 2022, 2023 and 2024 and 30 June 2025.
- (vii) As of the date of this report, outstanding balances that are non-trade in nature have been settled.

### 37 INVESTMENT IN SUBSIDIARIES

#### The Company

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Investment in subsidiaries, at cost . .	1,095	1,095	44,465	44,465

During the Track Record Period and as at the date of this report, the Company has direct or indirect interests in the following principal subsidiaries:

Company name	Place and date of incorporation/ establishment	Particulars of issued and paid-up capital	Effective interest held by the Group				Principal activities	Name of auditor
			As at 31 December		As at	At the		
			2022	2023	30 June 2025	date of this report		
<i>Directly held by the Company</i>								
HashKey Digital Asset Group Limited <sup>(2)</sup> . . . . .	Hong Kong/ 20 March 2018	HK\$10,000,000	100%	100%	100%	100%	Investment holding	KPMG
<i>Indirectly held by the Company</i>								
Hash Blockchain Limited <sup>(2)</sup> . . . . .	Hong Kong/ 21 March 2018	HK\$351,500,000	100%	100%	100%	100%	Provision of digital assets exchange platform	KPMG
Wancloud Limited <sup>(2)</sup> . . . . .	Hong Kong/ 30 April 2018	HK\$1,000,000 Ordinary shares	100% <sup>(5)</sup>	100% <sup>(5)</sup>	100% <sup>(5)</sup>	100% <sup>(5)</sup>	Provision of enterprise-level technology services and solutions and staking services relating to digital assets	KPMG
HashKey FinTech Investment <sup>(1)</sup> . . . . .	Cayman Islands/ 13 June 2019	US\$0.01	100%	100%	100%	100%	Provision asset management services	N/A
HashKey Bermuda Limited <sup>(3)</sup> . . . . .	Bermuda/ 10 October 2023	US\$1	–	100%	100%	100%	Provision of digital assets exchange platform	2022: N/A 2023: N/A 2024: KPMG
HashKey Technology Services Pte. Ltd. <sup>(4)</sup> . . . . .	Singapore/ 25 October 2019	US\$3,300,227	100%	100%	100%	100%	Provision of financial services activities and to perform transaction and payment processing service	KPMG LLP

Company name	Place and date of incorporation/ establishment	Particulars of issued and paid-up capital	Effective interest held by the Group				Principal activities	Name of auditor	
			As at 31 December		As at 30 June	At the date of this report			
			2022	2023	2024	2025			
HashKey MENA FZE <sup>(1)</sup>	United Arab Emirates/ 15 August 2024	United Arab Emirates dirham ("AED") 7,350,000	–	–	100%	100%	100%	Provision of digital assets exchange platform	N/A
HBS (Hong Kong) Limited <sup>(2)</sup> (former name: HashKey Brokerage Services Limited) . . . . .	Hong Kong/ 27 September 2019	HK\$10,000,000	100%	100%	100%	100%	100%	Provision of tokenisation advisory service.	KPMG

All principal subsidiaries comprising the Group have adopted 31 December as their financial year end date.

In the opinion of directors of the Company, there is no material non-controlling interest as at 31 December 2022, 2023, 2024 and 30 June 2025. There were no material transactions with non-controlling interests during the Track Record Period except the exercise of derivative disclosed in Note 21.

*Note 1:* No audited financial statements were prepared for these entities during the Track Record Period.

*Note 2:* The financial statements of these entities were prepared in accordance with HKFRS Accounting Standards.

*Note 3:* No audited financial statements were prepared for this entity for the years ended 31 December 2022 and 2023.

*Note 4:* The financial statements of this entity were prepared in accordance with SFRS Accounting Standards.

*Note 5:* The interest attributable to the Group for the entity is 78.3% if preferred shares are taken into account.

**38 SIGNIFICANT NON-ADJUSTING EVENTS AFTER THE TRACK RECORD PERIOD****(i) Issuance of preferred shares**

On 11 July 2025, 14 August 2025, 26 August 2025, 28 August 2025 and 29 August 2025, the Company issued 316,160,460 preferred shares — HashKey Series A for the consideration of US\$214,178,056, equivalent to approximately HK\$1,681,298,000, of which 586,329 preferred shares were issued to an entity under common control of ultimate controlling party and 76,285,797 to the ultimate controlling party.

The issuance of 76,285,797 preferred shares to the ultimate controlling party is settled by offsetting the corresponding amount due to the ultimate controlling party and an entity under ultimate controlling party's common control, no cash was received from this transaction. Approximately HK\$406,615,000 was offset on the transaction date.

The newly issued preferred shares contain the same rights and preference as disclosed in Note 30(b).

**(ii) Amended clause for the Quark Scheme**

On 18 August 2025, upon the mutual agreement between HashQuark Limited and eligible individuals 3,998,800 of share options granted under the Quark Scheme was converted to 14,470,070 share options under the HHL Scheme with the same terms and conditions of the HHL Scheme.

**39 IMMEDIATE AND ULTIMATE CONTROLLING PARTY**

As at the date of this report, the Directors consider the immediate parent and ultimate controlling party of the Group to be GDZ International Limited, a British Virgin Islands incorporated limited company.

**40 POSSIBLE IMPACTS OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ACCOUNTING PERIOD BEGINNING 1 JANUARY 2025**

Up to the date of this report, the IASB has issued a number of amendments, new standards and interpretations, which are not yet effective for the accounting period beginning 1 January 2025 and which have not been adopted in preparing the Historical Financial Information. These developments include:

	<u>Effective for the accounting periods beginning on or after</u>
Amendments to IFRS 9 and IFRS 7, <i>Contracts Referencing Nature-dependent Electricity</i> . . . . .	1 January 2026
Amendments to IFRS 9, <i>Financial instruments</i> and IFRS 7, <i>Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i> . . . . .	1 January 2026
Annual improvements to IFRS Accounting Standards – Volume 11 . . . . .	1 January 2026
IFRS 18, <i>Presentation and disclosure in financial statements</i> . . . . .	1 January 2027
IFRS 19, <i>Subsidiaries without public accountability: disclosures</i> . . . . .	1 January 2027
Amendments to IFRS 10 and IAS 28, <i>Sale or contribution of assets between an investor and its associate or joint venture</i> . . . . .	To be determined

The Group is in the process of making an assessment of what the impact of these developments are 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 the Historical Financial Information except for the followings.

**IFRS 18, *Presentation and disclosure in financial statements***

IFRS 18 will replace IAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18. IFRS 18 will impact the presentation of financial statements and is not expected to have significant impact on the financial performance and positions of the Group.

### **SUBSEQUENT FINANCIAL STATEMENTS**

No audited financial statements have been prepared by the Company and its subsidiaries in respect of any period subsequent to 30 June 2025.

The information set forth in this appendix does not form part of the Accountants' Report prepared by KPMG, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, as set forth in Appendix I to this prospectus, and is included herein for illustrative purposes only.

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" of this prospectus and the Accountants' Report set forth in Appendix I to this prospectus.

#### A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group prepared in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and is set out below to illustrate the effect of the Global Offering on the consolidated net tangible liabilities of the Group attributable to equity shareholders of the Company as at 30 June 2025 as if the Global Offering had taken place on 30 June 2025.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Global Offering been completed as at 30 June 2025 or at any future date.

	Consolidated net tangible liabilities of the Group attributable to equity shareholders of the Company as at 30 June 2025	Estimated net proceeds from the Global Offering	Estimate impact upon the conversion of Series A Preferred Shares into Shares	Unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company	Unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share
	<i>HK\$'000</i> <i>(Note 1)</i>	<i>HK\$'000</i> <i>(Note 2)</i>	<i>HK\$'000</i> <i>(Note 3)</i>	<i>HK\$'000</i>	<i>HK\$</i> <i>(Note 4)</i>
Based on an Offer					
Price of HK\$5.95 per Share . . . . .	<u>(1,833,900)</u>	<u>1,311,148</u>	<u>1,560,411</u>	<u>1,037,659</u>	<u>0.55</u>
Based on an Offer					
Price of HK\$6.95 per Share . . . . .	<u>(1,833,900)</u>	<u>1,541,592</u>	<u>1,560,411</u>	<u>1,268,103</u>	<u>0.68</u>

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*Notes:*

- (1) The consolidated net tangible liabilities of the Group attributable to equity shareholders of the Company as at 30 June 2025 is arrived at after deducting intangible assets — digital assets of HK\$155,679,000 and intangible assets — others of HK\$78,292,000 from the consolidated total deficit attributable to equity shareholders of the Company of HK\$1,599,929,000 as at 30 June 2025, as extracted from the Accountants' Report set out in Appendix I to this prospectus.
- (2) The estimated net proceeds from the Global Offering are calculated based on the indicative Offer Prices of HK\$5.95 per Share (being the minimum Offer Price) and HK\$6.95 per Share (being the maximum Offer Price), and 240,570,000 Shares to be issued under the Global Offering, after deduction of the underwriting fees and other related expenses paid or payable by the Group (excluding the listing expenses charged to profit or loss during the Track Record Period). It does not take into account any Shares which may be issued upon the exercise of the Offer Size Adjustment Option, the Over-allotment Option and shares granted under the Pre-IPO Equity Incentive Plan.
- (3) The carrying amount of the Group's redemption liabilities arising from Series A Preferred Shares was HK\$1,560,411,000 as at 30 June 2025, which is extracted from the Accountants' Report set out in Appendix I. Upon the Listing and completion of the Global Offering, the Company's Series A Preferred Shares will be automatically converted into Shares of the Company and redemption liabilities arising from Series A Preferred Shares will be re-designated from liabilities to equity.
- (4) The unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that 1,870,444,122 Shares (including (i) 1,350,000,000 Shares issued and outstanding as of 30 June 2025, (ii) 279,874,122 Shares converted from Series A Preferred Shares issued and outstanding as at 30 June 2025 on a one-to-one basis, (iii) 240,570,000 Shares to be issued under the Global Offering) were in issue immediately following the completion of Global Offering. It does not take into account any Shares which may be issued upon the exercise of the Offer Size Adjustment Option, the Over-allotment Option and the shares granted under the Pre-IPO Equity Incentive Plan.
- (5) No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2025, including the issuance of 316,160,460 Series A Preferred Shares in July 2025 and August 2025. Had such issuance occurred before or as at 30 June 2025, our unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity shareholders of the Company would have increased by HK\$1,680,297,000, and our unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share based on the minimum Offer Price and maximum Offer Price would have increased by HK\$0.69 and HK\$0.67, respectively.

**B. REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION**

*The following is the text of a report received from the reporting accountants, KPMG, Certified Public Accountants, Hong Kong, in respect of the Group's pro forma financial information for the purpose of incorporation in this prospectus.*

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION TO THE DIRECTORS OF HASHKEY HOLDINGS LIMITED**

We have completed our assurance engagement to report on the compilation of pro forma financial information of HashKey Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets as at 30 June 2025 and related notes as set out in Part A of Appendix II to the prospectus dated 9 December 2025 (the “**Prospectus**”) issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in Part A of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed offering of the ordinary shares of the Company (the “**Global Offering**”) on the Group's financial position as at 30 June 2025 as if the Global Offering had taken place at 30 June 2025. As part of this process, information about the Group's financial position as at 30 June 2025 has been extracted by the Directors from the Group's historical financial information included in the Accountants' Report as set out in Appendix I to the Prospectus.

**Directors' Responsibilities for the Pro Forma Financial Information**

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

### **Our Independence and Quality Management**

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements”, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Reporting Accountants’ Responsibilities**

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“**HKSAE**”) 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules, and with reference to AG 7 issued by the HKICPA.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of events or transactions as at 30 June 2025 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the

compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our procedures on the pro forma financial information have not been carried out in accordance with attestation standards or other standards and practices generally accepted in the United States of America, auditing standards of the Public Company Accounting Oversight Board (United States) or any overseas standards and accordingly should not be relied upon as if they had been carried out in accordance with those standards and practices.

We make no comments regarding the reasonableness of the amount of net proceeds from the issuance of the Company's shares, the application of those net proceeds, or whether such use will actually take place as described in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

### **Opinion**

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

**KPMG**

*Certified Public Accountants*

Hong Kong

9 December 2025

Set out below is a summary of certain provisions of the Memorandum and Articles of Association of our Company and of certain aspects of the Cayman Islands company law.

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on January 2, 2019 under the Cayman Companies Act. Our Company's constitutional documents consist of its Memorandum of Association and its Articles of Association.

## **1. MEMORANDUM OF ASSOCIATION**

The Memorandum states, inter alia, that the liability of members of our Company is limited to the amount from time to time unpaid on such member's shares and that the objects for which our Company is established are unrestricted (including acting as an investment company), and that our Company shall have and be capable of exercising any and all of the powers exercisable by a natural person or body corporate in any part of the world whether as principal, agent, contractor or otherwise and in view of the fact that our Company is an exempted company that our Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of our Company carried on outside the Cayman Islands.

## **2. ARTICLES OF ASSOCIATION**

The Articles were conditionally adopted on December 4, 2025 with effect from the Listing Date. The following is a summary of certain provisions of the Articles:

### **(a) Shares**

#### **(i) *Classes of shares***

The share capital of our Company consists of ordinary shares.

#### **(ii) *Variation of rights of existing shares or classes of shares***

Subject to the Cayman Companies Act, if at any time the share capital of our Company is divided into different classes of shares, all or any of the special rights attached to the shares or any class of shares may (unless otherwise provided for by the terms of issue of that class) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths of the voting rights of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of the Articles relating to general meetings will *mutatis mutandis* apply, but so that the necessary quorum (including at an adjourned meeting) shall be two persons holding or representing by proxy not less than one-third of the issued shares (excluding treasury shares) of that class. Every holder of shares of the class shall be entitled to one vote for every such share held by him.

Any special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

***(iii) Alteration of capital***

Our Company may by ordinary resolution of its members:

- (aa) increase its share capital as provided in the Articles;
- (bb) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (cc) divide its shares into several classes and attach to such shares any preferential, deferred, qualified or special rights, privileges, conditions or restrictions as our Company in general meeting or as the Board may determine;
- (dd) subdivide its shares or any of them into shares of smaller amount than is fixed by the Memorandum;
- (ee) cancel any shares, which at the date of passing of the resolution, have not been taken and diminish the amount of its share capital by the amount of the shares so cancelled;
- (ff) make provision for the issue and allotment of shares which do not carry any voting rights;
- (gg) change the currency of denomination of its share capital; and
- (hh) reduce its share premium account in any manner authorised and subject to any conditions prescribed by law.

Our Company may by special resolution reduce its share capital or any capital redemption reserve or other undistributable reserve in any way and subject to any conditions prescribed by law.

***(iv) Transfer of shares***

All transfers of shares shall be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve and which may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), under hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

Notwithstanding the foregoing, for so long as any shares are listed on the Stock Exchange, titles to such listed shares may be evidenced and transferred in accordance with the laws applicable to and the Listing Rules that are or shall be applicable to such listed shares. The register of members of our Company in respect of our listed shares (whether the principal register or a branch register) may be kept by recording the particulars required by Section 40 of the Cayman Companies Act in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the Listing Rules that are or shall be applicable to such listed shares.

The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee or accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of that share.

The Board may, in its absolute discretion, at any time and from time to time transfer any share upon the principal register to any branch register or any share on any branch register to the principal register or any other branch register.

Unless the Board otherwise agrees, no shares on the principal register shall be removed to any branch register nor shall shares on any branch register be removed to the principal register or any other branch register. All removals and other documents of title shall be lodged for registration, and be registered, in the case of any shares on a branch register, at the relevant registration office, and, in the case of any shares on the principal register, at the transfer office.

The Board may decline to recognise any instrument of transfer unless a fee (not exceeding the maximum sum as the Stock Exchange may determine to be payable) determined by the Board is paid to our Company, the instrument of transfer is properly stamped (if applicable), it is in respect of only one class of share, is lodged at the relevant registration office, the registered office or the transfer office accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do), and the shares are free of any lien in favour of our Company.

The registration of transfers may be suspended and the register may be closed on giving notice by advertisement in any newspaper or by any other means in accordance with the requirements of the Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole 30 days in any year) as the Board may determine. The period of 30 days may be extended for a further period or periods not exceeding 30 days in respect of any year if approved by members by ordinary resolution.

Fully paid shares are free from any restriction on transfer (except when permitted by the Stock Exchange) and free of all liens.

*(v) Power of our Company to purchase its own shares*

Our Company is empowered by the Cayman Companies Act and the Articles to purchase its own shares subject to certain restrictions and the Board may only exercise this power on behalf of our Company subject to any applicable requirements imposed from time to time by the Stock Exchange.

The Board may accept the surrender for no consideration of any fully paid shares.

*(vi) Power of any subsidiary of our Company to own shares in our Company*

There are no provisions in the Articles relating to the ownership of shares in our Company by a subsidiary.

*(vii) Calls on shares and forfeiture of shares*

The Board may from time to time make such calls as it thinks fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at a fixed time. A call may be made payable either in one lump sum or by instalments. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 20% per annum as the Board may agree to accept from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the monies uncalled and unpaid or instalments payable upon any shares held by him.

If a member fails to pay any call or instalment of a call on the day appointed for payment, the Board may, for so long as any part of the call or instalment remains unpaid, serve notice on the member requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment. The notice shall name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and shall also name the place where payment is to be made. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, nevertheless, remain liable to pay to our Company all monies which, at the date of forfeiture, were payable by him to our Company in respect of the forfeited shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of actual payment (including the payment of such interest) at such rate not exceeding 20% per annum as the Board may determine.

**(b) Directors**

*(i) Appointment, retirement and removal*

At each annual general meeting, one third of the Directors for the time being shall retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. The Directors to retire by rotation shall include any Director who wishes to retire and not offer himself for re-election. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment but as between persons who became or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

Neither a Director nor an alternate Director is required to hold any shares in our Company by way of qualification. Further, a Director is not required to retire upon reaching any particular age.

The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director subject to the maximum number determined from time to time by the members in general meeting. Any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office only until the first annual general meeting of our Company after his appointment and shall then be eligible for re-election.

The members may by ordinary resolution remove any Director (including a managing Director or other executive Director) before the expiration of his term of office (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and our Company) and may by ordinary resolution appoint another person in his stead. Any Director so appointed shall be subject to the “retirement and rotation” provisions. The number of Directors shall not be less than two.

The office of a Director shall be vacated if:

- (aa) he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally; or

- (bb) he dies or becomes of unsound mind as determined pursuant to an order made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated; or
- (cc) if he absents himself from the meetings of the Board during a continuous period of six months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board pass a resolution that he has by reason of such absence vacated his office; or
- (dd) he becomes prohibited by law from acting as a Director or he ceases to be a Director by operation of law or is removed pursuant to the Articles; or
- (ee) he has been validly required by the stock exchange of the Relevant Territory (as defined in the Articles) to cease to be a Director and the relevant time period for application for review of or appeal against such requirement has lapsed and no application for review or appeal has been filed or is underway against such requirement; or
- (ff) he resigns; or
- (gg) he is removed from office by an ordinary resolution pursuant to the Articles; or
- (hh) he is removed from office by notice in writing served on him signed by not less than three-fourths in number (or if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

The Board may appoint any one or more of them to the office of managing director, joint managing director, deputy managing director or other executive director and/or such other office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit. The Board may delegate any of its powers, authorities and discretions to committees consisting of such Director(s) and other persons as it thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed must, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

***(ii) Power to allot and issue shares and warrants***

Subject to the provisions of the Cayman Companies Act, the Memorandum and Articles and without prejudice to any special rights or restrictions attaching to any shares or any class of shares, (a) any share may be issued with or have attached to it such rights, or such

restrictions, whether with regard to dividend, voting, return of capital or otherwise, as the Directors may determine; or (b) shares may be issued on the terms that may be, or at the option of our Company or the holder are, liable to be redeemed.

The Board may issue warrants to subscribe for any class of shares or other securities of our Company on such terms as the Board may determine.

Subject to the provisions of the Cayman Companies Act and the Articles and, where applicable, the Listing Rules and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, all unissued shares in our Company are at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount to their nominal value.

Neither our Company nor the Board is obliged, when making or granting any allotment of, offer of, option over or disposal of shares or other securities of our Company, to make, or make available, any such allotment, offer, option or shares or other securities of our Company to members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, and shall be deemed not to be, a separate class of members for any purpose whatsoever.

***(iii) Power to dispose of the assets of our Company or any of its subsidiaries***

There are no specific provisions in the Articles relating to the disposal of the assets of our Company or any of its subsidiaries. The Directors may, however, exercise all powers and do all acts and things which may be exercised or done or approved by our Company and which are not required by the Articles or the Cayman Companies Act to be exercised or done by our Company in general meeting.

***(iv) Borrowing powers***

The Board may exercise all the powers of our Company to raise or borrow money, to mortgage or charge all or any part of the undertaking, property and uncalled capital of our Company and, subject to the Cayman Companies Act, to issue debentures, bonds and other securities of our Company, whether outright or as collateral security for any debt, liability or obligation of our Company or of any third party.

***(v) Remuneration***

The Directors shall be entitled to receive, as ordinary remuneration for their services, such sums as shall from time to time be determined by the Board or our Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is voted) to be divided among the Directors in such proportions and in such manner as they may agree or, failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the ordinary remuneration is payable shall only rank in such division in proportion to the time during such period for which he has held office. The Directors are also entitled to be prepaid or repaid all travelling, hotel and incidental expenses reasonably expected to be incurred or incurred by them in or about the performance of their duties as Directors.

Any Director who, at the request of our Company, goes or resides abroad for any purpose of our Company or who performs services which in the opinion of the Board go beyond the ordinary duties of such Director may be paid such extra remuneration as the Board may determine and such extra remuneration may be in addition to or in substitution for any ordinary remuneration as a Director. An executive Director or a Director appointed to be a managing director, joint managing director, deputy managing director or any other executive officer may receive such remuneration and such other benefits and allowances as the Board may from time to time decide. Such remuneration may be either in addition to or in lieu of his remuneration as a Director.

The Board may establish, either on its own or jointly with other companies (being subsidiary companies of our Company or companies with which it is associated in business) and maintain any funds or plans for providing pensions, allowances or emoluments for employees and ex-employees of our Company and their dependants.

***(vi) Compensation or payments for loss of office***

Pursuant to the Articles, payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by our Company in general meeting.

***(vii) Loans and provision of security for loans to Directors***

Except as would, if the Company were a company incorporated in Hong Kong, be permitted by the Companies Ordinance and the Cayman Companies Act, our Company shall not directly or indirectly make a loan to a Director or a director of any holding company of our Company or any of their respective close associates, enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any holding company of our Company or any of their respective close associates, or, if any one or more of the Directors hold(s) (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

*(viii) Disclosure of interests in contracts with our Company or any of its subsidiaries*

A Director may hold any other office or place of profit with our Company (except that of the auditor of our Company) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor in addition to any remuneration provided for by or pursuant to the Articles. A Director may be or become a director or other officer of, or otherwise interested in, any other company promoted by our Company or any other company in which our Company may be interested, and shall not be liable to account to our Company or the members for any remuneration, profits or other benefits received by him as a director, officer or member of, or from his interest in, such other company. The Directors may exercise the voting power conferred by the shares in any other company held or owned by our Company in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

No Director or proposed or intended Director shall be disqualified by his office from contracting with our Company either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to our Company or the members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall declare the nature of his interest in any such contract or transaction at or prior to the consideration and vote on such contract or transaction, either specifically or by way of a general notice stating that, by reason of the facts specified in such notice, he is to be regarded as interested in any such contract or transaction.

A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates has/have a material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution), but this prohibition does not apply to any of the following matters namely:

- (aa) the giving of any security or indemnity either: (x) to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of our Company or any of its subsidiaries; or (y) to a third party in respect of a debt or obligation of our Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

- (bb) any proposal concerning an offer of shares or debentures or other securities of or by our Company or any other company which our Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (cc) any proposal or arrangement concerning the benefit of employees of our Company or its subsidiaries including the adoption, modification or operation of (x) any employees' share scheme, or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or (y) a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his close associates and employees of our Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates; and
- (dd) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of our Company by virtue only of his/their interest in shares or debentures or other securities of our Company.

**(c) Proceedings of the Board**

The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

**(d) Alterations to constitutional documents and our Company's name**

To the extent that the same is permissible under Cayman Islands law and subject to the Articles, a special resolution shall be required to alter the provisions of the Memorandum, to approve any amendment of the Articles or to change the name of our Company.

**(e) Meetings of members**

**(i) *Special and ordinary resolutions***

A special resolution of our Company must be passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or, in the case of such members as are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with the Articles.

Under the Cayman Companies Act, a copy of any special resolution must be forwarded to the Registrar of Companies in the Cayman Islands within 15 days of being passed.

An ordinary resolution is defined in the Articles to mean a resolution passed by a simple majority of the votes of such members of our Company as, being entitled to do so, vote in person or, in the case of corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with the Articles.

*(ii) Voting rights and right to demand a poll*

Subject to any special rights or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every share of which he is the holder which is fully paid or credited as fully paid but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of the Articles as paid on the share. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided by poll save that the chairman of the meeting may, pursuant to the Listing Rules, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. On a show of hands every member who is present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy shall (save as provided otherwise in the Articles) have one vote. Votes (whether on a show of hands or by way of poll) may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine.

Where a clearing house (or its nominee(s)) is a member of our Company, it may (subject to the Articles) authorise such person or persons as it thinks fit to act as its representative or representatives, at any meeting (including but not limited to any general meeting, creditors meeting or at any meeting of any class of members) of our Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised pursuant to this provision shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same powers on behalf of the clearing house (or its nominee(s)) as if such person were an individual member including the right to speak and vote, and where a show of hands is allowed, the right to vote individually on a show of hands.

Members must have the right to: (i) speak at general meetings of our Company; and (ii) vote at a general meeting except where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

Where our Company has any knowledge that any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

Our Company shall be entered in the register of members of our Company as the holder of the treasury shares. However:

- (a) our Company shall not be treated as a Member for any purpose and shall not exercise any right in respect of the treasury shares, and any purported exercise of such a right shall be void; and
- (b) a treasury share shall not be voted, directly or indirectly, at any meeting of our Company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of the Articles or the Companies Act.

Nothing in this paragraph prevents an allotment of Shares as fully paid up bonus shares in respect of a treasury share and Shares allotted as fully paid up bonus shares in respect of a treasury share shall be treated as treasury shares.

***(iii) Annual general meetings and extraordinary general meetings***

In each financial year during the Relevant Period (as defined in the Articles), our Company shall hold an annual general meeting within six months after the end of each financial year in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it.

Extraordinary general meetings shall be convened on the requisition of one or more members holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of our Company having the right of voting at general meetings, on a one vote per share basis in the share capital of our Company (excluding treasury shares) and the foregoing members shall be able to add resolutions to the meeting agenda. Such requisition shall be made in writing to the Board or the secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by our Company.

A meeting of the members or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings. Unless otherwise determined by the Directors, the manner of convening and the proceedings at a general meeting set out in the Articles shall, mutatis mutandis, apply to a general meeting held wholly by or in-combination with electronic means.

*(iv) Notices of meetings and business to be conducted*

An annual general meeting shall be called by a notice in writing of not less than 21 days. All other general meetings shall be called by notice in writing of at least 14 days. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time and place and the agenda of the meeting and particulars of resolutions to be considered at the meeting and, in the case of special business, the general nature of that business.

In addition, notice of every general meeting must be given to all members of our Company other than to such members as, under the provisions of the Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from our Company, and also to, among others, the auditors for the time being of our Company.

Any notice or document to be given to or by any person pursuant to the Articles may be served on or delivered to any member of our Company personally, by post to such member's registered address or by advertisement in newspapers in accordance with the requirements of the Stock Exchange. Subject to the Cayman Companies Act and the Listing Rules, a notice or document may also be served or delivered by our Company to any member by electronic means.

All business that is transacted at an extraordinary general meeting shall be deemed special. All business shall be deemed special that is transacted at an annual general meeting with the exception of the following, each of which shall be deemed an ordinary business:

- (aa) the declaration and sanctioning of dividends;
- (bb) the consideration and adoption of the accounts and balance sheets and the reports of the Directors and the auditors and other documents required to be annexed to the balance sheets;
- (cc) the election of Directors whether by rotation or otherwise in place of those retiring;
- (dd) the appointment of auditors and other officers;

- (ee) the fixing of, or the determining of the method of fixing of the remuneration of the Directors and of the auditors;
- (ff) the granting of any mandate or authority to the Board to offer, allot, grant options over, or otherwise dispose of the unissued shares representing not more than 20% (or such other percentage as may from time to time be specified in the Listing Rules) in nominal value of its then existing issued share capital and the number of any securities repurchased pursuant to paragraph (gg); and
- (gg) the granting of any mandate or authority to the Board to repurchase securities of our Company.

(v) *Quorum for meetings and separate class meetings*

No business shall be transacted at any general meeting unless the requisite quorum is present at the time when the meeting proceeds to business and continues to be present until the conclusion of the meeting.

The quorum for a general meeting shall be two members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote. In respect of a separate class meeting (including an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one-third of the issued shares (excluding treasury shares) of that class.

(vi) *Proxies*

Any member of our Company entitled to attend and vote at a meeting of our Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of our Company or at a class meeting. A proxy need not be a member of our Company and is entitled to exercise the same powers on behalf of a member who is an individual and for whom he acts as proxy as such member could exercise. In addition, every member being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting of our Company and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A corporation may execute a form of proxy under the hand of a duly authorised officer and such a proxy is entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise as if it were an individual member. On a poll or a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy.

**(f) Accounts and audit**

The Board shall cause true accounts to be kept of the sums of money received and expended by our Company, and the matters in respect of which such receipt and expenditure take place, and of the assets and liabilities of our Company and of all other matters required by the Cayman Companies Act or necessary to give a true and fair view of the state of our Company's affairs and to show and explain its transactions.

The accounting records shall be kept at the head office or at such other place or places as the Board thinks fit and shall always be open to inspection by the Directors. No member (other than a Director) or other person shall have any right to inspect any account or book or document of our Company except as conferred by the Cayman Companies Act or ordered by a court of competent jurisdiction or authorised by the Board or our Company in general meeting. However, an exempted company must make available at its registered office in electronic form or any other medium, copies of its books of account or parts thereof as may be required of it upon service of an order or notice by the Tax Information Authority of the Cayman Islands pursuant to the Tax Information Authority Act of the Cayman Islands.

A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before our Company at its annual general meeting, together with a copy of the Directors' report and a copy of the auditors' report, shall not less than 21 days before the date of the meeting and at the same time as the notice of annual general meeting be sent to every person entitled to receive notices of general meetings of our Company under the provisions of the Articles; however, subject to compliance with the Cayman Companies Act and all applicable rules, including the Listing Rules, our Company may send to such persons summarised financial statements derived from our Company's annual accounts and the directors' report instead provided that any such person may by notice in writing served on our Company, demand that our Company sends to him, in addition to summarised financial statements, a complete printed copy of our Company's annual financial statement and the Directors' report thereon.

At the annual general meeting in each year, the members shall by ordinary resolution appoint an auditor to audit the accounts of our Company and such auditor shall hold office until the next annual general meeting. Moreover, the members may, at any general meeting, by ordinary resolution remove the auditor at any time before the expiration of his term of office and shall, by ordinary resolution, at that meeting appoint another auditor for the remainder of his term. The remuneration of the auditors shall be fixed and approved by our Company by an ordinary resolution passed at a general meeting or in such manner as the members may by ordinary resolution determine.

The auditor shall audit the financial statements of our Company in each year in accordance with generally accepted auditing standards and prepare an auditors' report thereon to be annexed thereto. Such report shall be submitted to the members and laid before our Company in the annual general meeting.

**(g) Dividends and other methods of distribution**

Our Company in general meeting may declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by the Board.

The Articles provide dividends may be declared and paid out of the profits of our Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution, dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Cayman Companies Act.

Unless and to the extent that the rights attaching to, or the terms of issue of, any share may otherwise provide: (i) all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall for this purpose be treated as paid up on the share; and (ii) all dividends shall be (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) apportioned and paid pro rata according to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. The Board may deduct from any dividend or other monies payable to any member or in respect of any shares all sums of money (if any) presently payable by him to our Company on account of calls or otherwise.

Whenever the Board or our Company in general meeting has resolved that a dividend be paid or declared on the share capital of our Company, the Board may further resolve either (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment, or (ii) that members entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit.

Our Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of our Company that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Unless otherwise directed by the Board, any dividend, interest or other moneys payable in cash to the holder of shares may be paid by cheque or warrant sent through post. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to our Company. Any one of two or more joint holders may give effectual receipts for any dividends and other moneys payable or property distributable in respect of the shares held by such joint holders.

Whenever the Board or our Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

All dividends, bonuses or other distributions or the proceeds of the realisation of any of the foregoing unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of our Company until claimed and our Company shall not be constituted a trustee in respect thereof. All dividends or bonuses or other distributions unclaimed for six years after having been declared may be forfeited by the Board and shall revert to our Company.

No dividend or other monies payable by our Company on or in respect of any share shall bear interest against our Company.

**(h) Inspection of corporate records**

Pursuant to the Articles, our Company's register and branch register of members shall be open to inspection during business hours by any members without charge, or by any other person upon a maximum payment of HK\$2.50 or such lesser sum specified by the Board, at the registered office or such other place at which the register is kept in accordance with the Cayman Companies Act or, upon a maximum payment of HK\$1.00 or such lesser sum specified by the Board, at the office where the branch register of members is kept, except the register is closed in accordance with the Articles.

**(i) Rights of minorities in relation to fraud or oppression**

There are no provisions in the Articles relating to rights of minority shareholders in relation to fraud or oppression. However, certain remedies are available to shareholders of our Company under Cayman Islands law, as summarised in paragraph 3(f) of this Appendix III.

**(j) Procedures on liquidation**

Subject to the Cayman Companies Act, our Company may at any time and from time to time be wound up voluntarily by a special resolution.

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares:

- (i) if our Company is wound up and the assets available for distribution amongst the members of our Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the surplus assets remaining after payment to all creditors shall be distributed *pari passu* and divided among the members in proportion to the amount paid up on the shares held by them respectively; and

- (ii) if our Company is wound up and the assets available for distribution amongst the members shall be insufficient to repay the whole of the paid-up capital, they shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

If our Company is wound up (whether the liquidation be voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Cayman Companies Act, divide among the members in specie or kind the whole or any part of the assets of our Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, but so that no members shall be compelled to accept any shares or other assets upon which there is a liability.

**(k) Subscription rights reserve**

The Articles provide that to the extent that they are not prohibited by and are in compliance with the Cayman Companies Act, if warrants to subscribe for shares have been issued by our Company and our Company does any act or engages in any transaction which would result in the subscription price of such warrants being reduced below the nominal value of a share, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the nominal value of a share on any exercise of the warrants.

**3. CAYMAN ISLANDS COMPANY LAW**

Our Company is incorporated in the Cayman Islands subject to the Cayman Companies Act and, therefore, operates subject to Cayman Islands law. Set out below is a summary of certain provisions of the Cayman company law, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the Cayman Islands company law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar. For the avoidance of doubt, special resolution used in the below summary shall have the meaning as set out in the Cayman Companies Act.

**(a) Company operations**

As an exempted company, our Company's operations must be conducted mainly outside the Cayman Islands. The Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorised share capital.

**(b) Share capital**

The Cayman Companies Act provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on those shares shall be transferred to an account, to be called the "share premium account". At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium.

The Cayman Companies Act provides that the share premium account may be applied by a company subject to the provisions, if any, of its memorandum and articles of association in (i) paying distributions or dividends to members; (ii) paying up unissued shares of the company to be issued to members as fully paid bonus shares; (iii) the redemption and repurchase of shares (subject to the provisions of section 37 of the Cayman Companies Act); (iv) writing-off the preliminary expenses of the company; and (v) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

The Cayman Companies Act provides that, subject to confirmation by the Grand Court of the Cayman Islands (the "Court"), a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, by special resolution reduce its share capital in any way.

**(c) Financial assistance to purchase shares of a company or its holding company**

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company to another person for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and acting in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

**(d) Purchase of shares and warrants by a company and its subsidiaries**

A company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder and the Cayman Companies Act expressly provides that it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares. However, if the articles of association do not authorise the manner and terms of purchase, a company cannot purchase any of its own shares unless the manner and terms of purchase have first been authorised by an ordinary resolution of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Shares purchased by a company are to be treated as cancelled unless, subject to the memorandum and articles of association of the company, the directors of the company resolve to hold such shares in the name of the company as treasury shares prior to the purchase. Where shares of a company are held as treasury shares, the company shall be entered in the register of members as holding those shares, however, notwithstanding the foregoing, the company is not to be treated as a member for any purpose and must not exercise any right in respect of the treasury shares, and any purported exercise of such a right shall be void, and a treasury share must not be voted, directly or indirectly, at any meeting of the company and must not be counted in determining the total number of issued shares at any given time, whether for the purposes of the company's articles of association or the Cayman Companies Act.

A company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases and the directors of a company may rely upon the general power contained in its memorandum of association to buy and sell and deal in personal property of all kinds.

Under Cayman Islands law, a subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

**(e) Dividends and distributions**

The Cayman Companies Act permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account. With the exception of the foregoing, there are no statutory provisions relating to the payment of dividends. Based upon English case law, which is regarded as persuasive in the Cayman Islands, dividends may be paid only out of profits.

No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of a company's assets (including any distribution of assets to members on a winding up) may be made to the company, in respect of a treasury share.

**(f) Protection of minorities and shareholders' suits**

The Court ordinarily would be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of the company to challenge (i) an act which is ultra vires the company or illegal; (ii) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company; and (iii) an irregularity in the passing of a resolution which requires a qualified (or special) majority.

In the case of a company (not being a bank) having a share capital divided into shares, the Court may, on the application of members holding not less than one fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Court shall direct.

Any shareholder of a company may petition the Court which may make a winding up order if the Court is of the opinion that it is just and equitable that the company should be wound up or, as an alternative to a winding up order: (i) an order regulating the conduct of the company's affairs in the future; (ii) an order requiring the company to refrain from doing or continuing an act complained of by the shareholder petitioner or to do an act which the shareholder petitioner has complained it has omitted to do; (iii) an order authorising civil proceedings to be brought in the name and on behalf of the company by the shareholder petitioner on such terms as the Court may direct; or (iv) an order providing for the purchase of the shares of any shareholders of the company by other shareholders or by the company itself and, in the case of a purchase by the company itself, a reduction of the company's capital accordingly.

Generally claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

**(g) Disposal of assets**

The Cayman Companies Act contains no specific restrictions on the power of directors to dispose of assets of a company. However, as a matter of general law, every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

**(h) Accounting and auditing requirements**

A company must cause proper books of account to be kept with respect to (i) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place; (ii) all sales and purchases of goods by the company; and (iii) the assets and liabilities of the company.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

An exempted company must make available at its registered office in electronic form or any other medium, copies of its books of account or parts thereof as may be required of it upon service of an order or notice by the Tax Information Authority of the Cayman Islands pursuant to the Tax Information Authority Act of the Cayman Islands.

**(i) Exchange control**

There are no exchange control regulations or currency restrictions in the Cayman Islands.

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are a party to a double tax treaty entered into with the United Kingdom in 2010 but otherwise is not party to any double tax treaties.

**(j) Stamp duty on transfers**

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

**(k) Loans to directors**

There is no express provision in the Cayman Companies Act prohibiting the making of loans by a company to any of its directors.

**(l) Inspection of corporate records**

The notice of registered office is a matter of public record. A list of the names of the current directors and alternate directors (if applicable) is made available by the Registrar of Companies for inspection by any person on payment of a fee. The register of mortgages is open to inspection by creditors and members.

Members of the Company have no general right under the Cayman Companies Act to inspect or obtain copies of the register of members or corporate records of the Company. They will, however, have such rights as may be set out in the Company's articles of association.

**(m) Register of members**

An exempted company may maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as the directors may, from time to time, think fit. The register of members shall contain such particulars as required by section 40 of the Cayman Companies Act. A branch register must be kept in the same manner in which a principal register is by the Cayman Companies Act required or permitted to be kept. The company shall cause to be kept at the place where the company's principal register is kept a duplicate of any branch register duly entered up from time to time.

There is no requirement under the Cayman Companies Act for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of members, as may be required of it upon service of an order or notice by the Tax Information Authority of the Cayman Islands pursuant to the Tax Information Authority Act of the Cayman Islands.

**(n) Register of directors and officers**

A company is required to maintain at its registered office a register of directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within 30 days of any change in such directors or officers.

**(o) Beneficial ownership register**

An exempted company is required to identify its beneficial owners and provide details of these beneficial owners to its corporate service provider (the **CSP**) which maintain its beneficial ownership register in the Cayman Islands. A beneficial owner is defined as an individual who (a) ultimately owns or controls, whether through director or indirect ownership or control 25% or more of the shares, voting rights, or partnership interests in the company, (b) otherwise exercises ultimate effective control over the management of the company, or (c) is identified as exercising control of the company through other means. The beneficial ownership register is not a public document and is only accessible by a designated competent authority of the Cayman Islands although the Cayman Islands government may introduce regulations to allow for public access in the future. An exempted company with its shares listed on an approved stock exchange, which includes the Stock Exchange, may provide its registered office provider with details of its listed status as an alternative compliance route instead of providing details of its beneficial owners. Accordingly, as long as the shares of the Company remain listed on the Stock Exchange, the Company may opt for this alternative compliance route rather than maintain a beneficial ownership register.

**(p) Winding up**

A company may be wound up (i) compulsorily by order of the Court; (ii) voluntarily; or (iii) under the supervision of the Court.

The Court has authority to order winding up in a number of specified circumstances including where the members of the company have passed a special resolution requiring the company to be wound up by the Court, or where the company is unable to pay its debts, or where it is, in the opinion of the Court, just and equitable to do so. Where a petition is presented by members of the company as contributories on the ground that it is just and equitable that the company should be wound up, the Court has the jurisdiction to make certain other orders as an alternative to a winding-up order, such as making an order regulating the conduct of the company's affairs in the future, making an order authorising civil proceedings to be brought in the name and on behalf of the company by the petitioner on such terms as the Court may direct, or making an order providing for the purchase of the shares of any of the members of the company by other members or by the company itself.

A company (save with respect to a limited duration company) may be wound up voluntarily when the company so resolves by special resolution or when the company in general meeting resolves by ordinary resolution that it be wound up voluntarily because it is unable to pay its debts. In the case of a voluntary winding up, such company is obliged to cease to carry on its business (except so far as it may be beneficial for its winding up) from the time of passing the resolution for voluntary winding up or upon the expiry of the period or the occurrence of the event referred to above.

For the purpose of conducting the proceedings in winding up a company and assisting the Court therein, there may be appointed an official liquidator or official liquidators; and the court may appoint to such office such person, either provisionally or otherwise, as it thinks fit, and if more persons than one are appointed to such office, the Court must declare whether any act required or authorised to be done by the official liquidator is to be done by all or any one or more of such persons. The Court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the Court.

As soon as the affairs of the company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and how the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation thereof. This final general meeting must be called by at least 21 days' notice to each contributory in any manner authorised by the company's articles of association and published in the Gazette.

**(q) Reconstructions**

There are statutory provisions which facilitate reconstructions and amalgamations approved by (i) 75% in value of shareholders or class of shareholders, or (ii) a majority in number representing 75% in value of creditors, as the case may be, as are present at a meeting called for such purpose and thereafter sanctioned by the Court. Whilst a dissenting shareholder would have the right to express to the Court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Court is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management.

The Cayman Companies Act also contains statutory provisions which provide that a company may present a petition to the Court for the appointment of a restructuring officer on the grounds that the company (i) is or is likely to become unable to pay its debts within the meaning of section 93 of the Cayman Companies Act; and (ii) intends to present a compromise or arrangement to its creditors (or classes thereof) either, pursuant to the Cayman Companies Act, the law of a foreign country or by way of a consensual restructuring. The petition may be presented by a company acting by its directors, without a resolution of its shareholders or an express power in its articles of association. On hearing such a petition, the Court may, among other things, make an order appointing a restructuring officer or make any other order as the Court thinks fit.

**(r) Take-overs**

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice in the prescribed manner require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Court within one month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

**(s) Indemnification**

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Court to be contrary to public policy (e.g., for purporting to provide indemnification against the consequences of committing a crime).

**(t) Economic substance requirements**

Pursuant to the International Tax Cooperation (Economic Substance) Act (As Revised) of the Cayman Islands (the "ES Act") that came into force on 1 January 2019, a "relevant entity" is required to satisfy the economic substance test set out in the ES Act. A "relevant entity" includes an exempted company incorporated in the Cayman Islands as is the Company; however, it does not include an entity that is tax resident outside the Cayman Islands. Accordingly, for so long as the Company is a tax resident outside the Cayman Islands, including in Hong Kong, it is not required to satisfy the economic substance test set out in the ES Act.

**4. GENERAL**

Ogier, our Company's legal counsel as to Cayman Islands law, have sent to our Company a letter of advice summarising certain aspects of Cayman Islands company law. This letter, together with a copy of the Cayman Companies Act, is available on display as referred to in the paragraph headed "Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display — Documents Available on Display" in Appendix V to this Prospectus. Any person wishing to have a detailed summary of Cayman Islands company law or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

**A. FURTHER INFORMATION ABOUT OUR GROUP****1. Incorporation of Our Company**

Our Company was incorporated in the Cayman Islands under the Companies Act as an exempted company with limited liability on January 2, 2019. Our registered office is at 89 Nexus Way, Camana Bay, Grand Cayman, Cayman Islands, KY1-9009. Accordingly, our Company's corporate structure and Articles of Association are subject to the relevant laws of the Cayman Islands. A summary of our Articles of Association is set out in the section headed "Summary of the Constitution of our Company and Cayman Islands Company Law" in Appendix III to this Prospectus.

Our Company has established its principal place of business in Hong Kong at 14th Floor, Three Exchange Square, 8 Connaught Place, Central, Hong Kong and has been registered as a non-Hong Kong company on February 1, 2023 under Part 16 of the Companies Ordinance with the Registrar of Companies in Hong Kong. Ms. Tang King Yin has been appointed as the authorized representative of our Company for the acceptance of service of process in Hong Kong.

**2. Changes in the Share Capital of Our Company**

Save as disclosed in the section headed "History, Development and Corporate Structure", there has been no alternation in our share capital of our Company within the two years immediately preceding the date of this Prospectus.

**3. Changes in the Share Capital of Our Subsidiaries**

A summary of the corporate information and the particulars of our subsidiaries are set out in Note 1 to the Accountants' Report as set out in Appendix I to this Prospectus.

The following sets out the alterations in the registered capital of our subsidiaries that took place within two years preceding the date of this Prospectus:

***Hash Blockchain Limited***

On February 27, 2024, the registered capital of Hash Blockchain Limited increased from HK\$351,500,000 to HK\$381,500,000.

***HashKey Capital Limited***

On February 27, 2025, the registered capital of HashKey Capital Limited increased from HK\$10,000,000 to HK\$20,000,000.

***HashKey Bermuda Limited***

On April 19, 2024, the authorized capital of HashKey Bermuda Limited increased from US\$10,000 to US\$6,441,690.

***HashKey Technology Services Pte. Ltd.***

On January 2, 2024, the registered capital of HashKey Technology Services Pte. Ltd. increased from US\$1,617,111 to US\$2,597,111.

***Eminent Vision Limited***

On December 6, 2024, the registered capital of Eminent Vision Limited was increased from US\$3 to US\$2,800,003.

***Tokyo Hash Co., Ltd***

On March 22, 2024, the registered capital of Tokyo Hash Co., Ltd was increased from JPY150,350,000 to JPY200,700,000. On October 3, 2024, the registered capital of Tokyo Hash Co., Ltd was increased from JPY200,700,000 to JPY259,000,000. On June 27, 2025, the registered capital of Tokyo Hash Co., Ltd was increased from JPY259,000,000 to JPY341,150,000.

***HashKey MENA FZE***

On December 17, 2024, the share capital of HashKey MENA FZE was increased from 50,000 AED to 7,350,000 AED.

***HashKey Technology Services Pte. Ltd.***

On December 28, 2023, the issued share capital of HashKey Technology Services Pte. Ltd. was increased from 3,300,227 ordinary shares to 5,300,227 ordinary shares.

Save as disclosed above, there is no alteration in the share capital of any of the subsidiaries of our Company within the two years immediately preceding the date of this Prospectus.

#### 4. Resolutions of our Shareholders

Pursuant to the resolutions of the Shareholders in a general meeting passed on December 4, 2025, among other things:

- (a) the Memorandum and Articles of Association were approved and adopted conditional upon Listing;
- (b) the Global Offering, the Offer Size Adjustment Option and the Over-allotment Option were approved;
- (c) a general unconditional mandate (the “**Issue Mandate**”) was given to our Directors to exercise all the powers of our Company to allot, issue and deal with Shares (including the sale and/or transfer of Shares out of treasury that are held as treasury shares) or securities convertible into Shares and to make or grant offers or agreements or options (including any warrants, bonds, notes and debentures conferring any rights to subscribe for or otherwise receive Shares) which might require Shares to be allotted, issued, or dealt subject to the requirement that the aggregate number of Shares so allotted and issued or agreed to be allotted and issued, other than pursuant to the Global Offering or pursuant to a rights issue or pursuant to the exercise of any subscription rights attaching to any warrants or any option scheme or similar arrangement which may be allotted and issued by our Company from time to time on a specific authority granted by the Shareholders in general meeting or, pursuant to the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles, shall not exceed 20% of the number of the Shares in issue (excluding any treasury shares or Shares which may be issued pursuant to the exercise of the Over-allotment Option which may be) immediately following completion of the Global Offering;
- (d) a general unconditional mandate (the “**Repurchase Mandate**”) was given to our Directors to exercise all the powers of our Company to repurchase Shares on the Stock Exchange or on any other stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, such number of Shares shall not exceed 10% of the total number of Shares in issue immediately following the completion of the Global Offering, excluding any treasury shares or Shares which may be issued pursuant to the exercise of the Over-allotment Option; and
- (e) the Issue Mandate was extended by the addition to the number of the Shares which may be allotted, or agreed conditionally or unconditionally to be allotted and issued by our Directors pursuant to such general mandate of an amount representing the number of Shares repurchased by the Company pursuant to the Repurchase Mandate, provided that such amount shall not exceed 10% of the total number of the Shares in issue (excluding any treasury shares) immediately following the completion of the Global Offering, excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option.

Each of the general mandates referred to in paragraphs (c), (d) and (e) above will remain in effect until whichever is the earliest of:

- the conclusion of the next annual general meeting of our Company unless otherwise renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions; or
- the expiration of the period within which our Company's next annual general meeting is required by the Articles of Association or any other applicable laws to be held; or
- the date on which it is varied or revoked by an ordinary resolution of our Shareholders in a general meeting.

## **5. Repurchases of Our Own Securities**

### ***(a) Provisions of the Listing Rules***

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the more important of which are summarized below:

#### *(i) Shareholders' approval*

All proposed repurchases of shares (which must be fully paid up) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the Shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to the resolutions of the Shareholders in a general meeting passed on December 4, 2025, the Repurchase Mandate was given to the Directors authorizing any repurchase by our Company of Shares on the Stock Exchange or on any other stock exchange on which the securities may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, of not more than 10% of the number of Shares in issue (excluding any treasury shares) immediately following the completion of the Global Offering but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option until the conclusion of our next annual general meeting, or the date by which our next annual general meeting is required by the Articles of Association or any applicable law to be held, or the passing of an ordinary resolution by the Shareholders revoking or varying the authority given to the Directors, whichever occurs first.

*(ii) Source of funds*

Repurchases must be funded out of funds legally available for the purpose in accordance with our Articles and the applicable laws of Hong Kong and the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. As a matter of Cayman Islands law, any repurchases by the Company may be made out of profits or out of the proceeds of a new issue of shares made for the purpose of the repurchase or from sums standing to the credit of our share premium account or out of capital, if so authorized by the Articles of Association and subject to the Cayman Companies Act. Any premium payable on the repurchase over the par value of the shares to be repurchased must have been provided for out of profits or from sums standing to the credit of our share premium account or out of capital, if so authorized by the Articles of Association and subject to the Cayman Companies Act.

*(iii) Trading restrictions*

The total number of Shares which our Company may repurchase is up to 10% of the total number of our Shares in issue (excluding any treasury shares) immediately after the completion of the Global Offering (but not taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option). Our Company may not issue new Shares, or a sale or transfer of any treasury shares, or announce a proposed issue of new Shares, or a sale or transfer of any treasury shares for a period of 30 days immediately following a share repurchase without the prior approval of the Stock Exchange. For the avoidance of doubt, this restriction will not apply to (i) a new issue of Shares, or a sale or transfer of treasury shares under a capitalization issue, (ii) a grant of share awards or options under a share scheme that complies with Chapter 17 of the Listing Rules or a new issue of Shares or a transfer of treasury shares upon vesting or exercise of share awards or options under the share scheme that complies with Chapter 17 of the Listing Rules, and (iii) a new issue of Shares or a transfer of treasury shares pursuant to the exercise of warrants, share options or similar instruments requiring the issuer to issue securities which were outstanding prior to the repurchase. Our Company is also prohibited from repurchasing Shares on the Stock Exchange if the repurchase would result in the number of listed Shares which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. Our Company is required to procure that the broker appointed by our Company to effect a repurchase of Shares discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require. As required by the prevailing requirements of the Listing Rules, an issuer shall not purchase its shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange.

*(iv) Status of repurchased Shares*

Following a repurchase of Shares, the Company may cancel any repurchased Shares and/or hold them as treasury shares subject to, among others, market conditions and its capital management needs at the relevant time of the repurchases, which may change due to evolving circumstances.

*(v) Suspension of repurchase*

Pursuant to the Listing Rules, our Company may not make any repurchases of Shares after inside information has come to its knowledge until the information is made publicly available. In particular, under the requirements of the Listing Rules in force as of the date hereof, during the period of 30 days immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's results for any year, half year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for our Company to publish an announcement of our Company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and in each case ending on the date of the results announcement, our Company may not repurchase Shares on the Stock Exchange unless the circumstances are exceptional.

In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if a listed company has breached the Listing Rules.

The Company may not purchase any of its Shares on the Stock Exchange for a period of 30 days after any sale or transfer of any treasury shares on the Stock Exchange, without the prior approval of the Stock Exchange.

*(vi) Procedural and reporting requirements*

As required by the Listing Rules, repurchases of Shares on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the Stock Exchange business day following any day on which our Company may make a purchase of Shares. The report must state the total number of Shares purchased the previous day, the purchase price per Share or the highest and lowest prices paid for such purchases, and whether the purchased Shares are canceled following settlement of any such purchase or held as treasury shares, and where applicable, the reasons for any deviation from the intention statement previously disclosed by the Company. In addition, our Company's annual report is required to disclose details regarding repurchases of Shares made during the year, including a monthly breakdown of the number of shares repurchased, the purchase price per Share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate prices paid.

*(vii) Connected parties*

A company is prohibited from knowingly repurchasing securities on the Stock Exchange from a core connected person (as defined in the Listing Rules) and a core connected person shall not knowingly sell its securities to the company on the Stock Exchange.

***(b) Reasons and impact for repurchases***

The Directors believe that it is in the best interests of our Company and Shareholders for the Directors to have general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made where the Directors believe that such repurchases will benefit our Company and our Shareholders.

***(c) Funding of repurchases***

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Articles, the Listing Rules and the applicable laws and regulations of Hong Kong.

On the basis of the current financial position as disclosed in this Prospectus and taking into account the current working capital position, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of our Company as compared with the position disclosed in this Prospectus. The Directors, however, do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of our Company which in the opinion of the Directors are from time to time appropriate for our Company.

***(d) Interim measures***

For any treasury shares of the Company deposited with CCASS pending resale on the Stock Exchange, the Company shall, upon approval by the Board, implement the below interim measures which include (without limitation):

- (i) procuring its broker not to give any instructions to HKSCC to vote at general meetings for the treasury shares deposited with CCASS;
- (ii) in the case of dividends or distributions (if any and where applicable), withdrawing the treasury shares from CCASS, and either re-register them in its own name as treasury shares or cancel them, in each case before the relevant record date for the dividend or distributions; or

- (iii) taking any other measures to ensure that it will not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury shares.

*(e) General*

The Company did not hold any treasury shares as of the Latest Practicable Date and will not hold any treasury shares upon Listing. To the best knowledge of the Directors, neither the explanatory statement contained herein nor the proposed share repurchase has unusual features.

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their close associates currently intends to sell any Shares to our Company.

The Directors have undertaken that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws and regulations in the Cayman Islands.

Any repurchase of Shares that results in the number of Shares held by the public being reduced to less than such minimum percentage prescribed by the Stock Exchange could only be implemented if the Stock Exchange agreed to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be granted other than in exceptional circumstances.

If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the general mandate to repurchase Shares.

No core connected person has notified our Company that he or she has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

**B. FURTHER INFORMATION ABOUT OUR BUSINESS****1. Summary of Material Contracts**

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this Prospectus that are or may be material:

- (a) the Hong Kong Underwriting Agreement;
- (b) a cornerstone investment agreement dated December 5, 2025 entered into among the Company, UBS Asset Management (Singapore) Ltd. (in its capacity as the delegate of the investment manager for and on behalf of the investors listed in the agreement), J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited, Guotai Junan Capital Limited, Guotai Junan Securities (Hong Kong) Limited, with respect to a subscription of Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US\$10 million;
- (c) a cornerstone investment agreement dated December 5, 2025 entered into among the Company, FIL Investment Management (Hong Kong) Limited as agent and fiduciary for the funds and accounts listed in the agreement, J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited, Guotai Junan Capital Limited, Guotai Junan Securities (Hong Kong) Limited, with respect to a subscription of Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US\$5 million;
- (d) a cornerstone investment agreement dated December 5, 2025 entered into among the Company, CDH Global Frontier Ventures Limited, J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited, Guotai Junan Capital Limited, Guotai Junan Securities (Hong Kong) Limited, with respect to a subscription of Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US\$5 million;
- (e) a cornerstone investment agreement dated December 5, 2025 entered into among the Company, Cithara Global Multi-Strategy SPC – Bosideng Industry Investment Fund SP, J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited, Guotai Junan Capital Limited, Guotai Junan Securities (Hong Kong) Limited, with respect to a subscription of Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US\$15 million;

- (f) a cornerstone investment agreement dated December 5, 2025 entered into among the Company, Infini Global Master Fund, J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited, Guotai Junan Capital Limited, Guotai Junan Securities (Hong Kong) Limited, with respect to a subscription of Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US\$10 million;
- (g) a cornerstone investment agreement dated December 5, 2025 entered into among the Company, Deep Source Holdings Limited, J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited, Guotai Junan Capital Limited, Guotai Junan Securities (Hong Kong) Limited, with respect to a subscription of Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US\$10 million;
- (h) a cornerstone investment agreement dated December 5, 2025 entered into among the Company, Profit Channel Development Limited, J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited, Guotai Junan Capital Limited, Guotai Junan Securities (Hong Kong) Limited, with respect to a subscription of Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US\$10 million;
- (i) a cornerstone investment agreement dated December 5, 2025 entered into among the Company, Space Z PTE. LTD., J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited, Guotai Junan Capital Limited, Guotai Junan Securities (Hong Kong) Limited, with respect to a subscription of Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US\$5 million; and
- (j) a cornerstone investment agreement dated December 5, 2025 entered into among the Company, Shining Light Grace Limited, J.P. Morgan Securities (Far East) Limited, J.P. Morgan Securities (Asia Pacific) Limited, Guotai Junan Capital Limited, Guotai Junan Securities (Hong Kong) Limited, with respect to a subscription of Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US\$5 million.

## 2. Intellectual Property Rights of our Group

### (a) Trademarks

As of the Latest Practicable Date, our Group had registered or applied for the registration of the following trademarks which we consider to be material to our Group's business:

No.	Trademark	Owner	Class	Registration Number	Place of Registration
1. . .		HashKey Digital Asset Group Limited	9, 35	304909285	Hong Kong
2. . .		HashKey Digital Asset Group Limited	9, 35, 36, 42	304909294	Hong Kong
3. . .	 	HashKey Digital Asset Group Limited	36	305752747	Hong Kong
4. . .		HashKey Digital Asset Group Limited	36	305752738	Hong Kong
5. . .		HashKey Digital Asset Group Limited	36	305561703	Hong Kong
6. . .	 	HashKey Digital Asset Group Limited	36	305561712	Hong Kong
7. . .	 	HashKey Digital Asset Group Limited	36	305761332	Hong Kong
8. . .	 	HashKey Digital Asset Group Limited	36	305777542	Hong Kong
9. . .		HashKey Digital Asset Group Limited	36	305777560	Hong Kong
10. . .		HashKey Digital Asset Group Limited	9, 42	305726494	Hong Kong
11. . .	 	HashKey Digital Asset Group Limited	36	305769820	Hong Kong

No.	Trademark	Owner	Class	Registration Number	Place of Registration
12..	HASHKEY XPERT	HashKey Digital Asset Group Limited	36	305769839	Hong Kong
13..	HASHKEY HUB	HashKey Digital Asset Group Limited	9, 42	305752756	Hong Kong
14..	 HASHKEYHUB	HashKey Digital Asset Group Limited	9, 42	305882770	Hong Kong
	 HASHKEYHUB				
15..	HASHKEY CAPITAL	HashKey Digital Asset Group Limited	36	305752783	Hong Kong
16..	HashQuark	Wancloud Limited	36	304909302	Hong Kong
17..	HASHQUARK	Wancloud Limited	36	305752765	Hong Kong
18..	 hashQuark	Wancloud Limited	36	305752774	Hong Kong
	 hashQuark				
19..	HASHKEY DID	HashKey Digital Asset Group Limited	42	306171813	Hong Kong
20..	 HASHKEY DID	HashKey Digital Asset Group Limited	42	306171804	Hong Kong
	 HASHKEY DID				
21..	EPOTTER	HashKey Digital Asset Group Limited	36, 42	306176287	Hong Kong
22..	HASHKEY ACADEMY	HashKey Digital Asset Group Limited	41	305820156	Hong Kong
23..	HSK	HashKey Digital Asset Group Limited	35	306511040AA	Hong Kong
24..	HSK	HashKey Digital Asset Group Limited	36	306511040AB	Hong Kong
25..	Future3 Campus	W3ME Limited	35, 36, 41	306273450	Hong Kong
26..		HashKey Digital Asset Group Limited	36, 42	304909311	Hong Kong
27..		HashKey Digital Asset Group Limited	9, 36	304909384	Hong Kong

No.	Trademark	Owner	Class	Registration Number	Place of Registration
28..		HashKey Digital Asset Group Limited	9, 42	305726485	Hong Kong
					
29..		HashKey Digital Asset Group Limited	36, 42	306177646	Hong Kong
					
30..		HashKey Digital Asset Group Limited	9, 36	306625369	Hong Kong
31..		HashKey Digital Asset Group Limited	9, 16, 25, 28, 35, 41, 43	306709366	Hong Kong
32..	Web3 Festival	HashKey Digital Asset Group Limited	35, 41	306709375	Hong Kong
33..		HashKey Digital Asset Group Limited	9, 36, 41, 42	306952429	Hong Kong

**(b) Domain Name**

As of the Latest Practicable Date, we had registered the following domain names which we consider to be material to our business:

No.	Domain Name	Registered Owner	Expiry Date
1..	hashkey.com	Hong Kong Digital Asset Group Limited	January 25, 2028

Save as disclosed above, as of the Latest Practicable Date, there were no other intellectual property rights which are or may be material in relation to our business.

**C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS****1. Disclosure of Interests*****(a) Interests and short positions of our Directors in the share capital of our Company and its associated corporations following completion of the Global Offering***

Save as disclosed in the section headed “Substantial Shareholders”, immediately following the completion of the Global Offering (assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised), so far as our Directors are aware, none of our Directors and chief executive has any interests and short positions in our Shares, underlying Shares or debentures of our Company or any of our associated corporations (within the meaning of Part XV of the SFO) (i) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO), or (ii) which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (iii) which will be required to be notified to us and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) contained in the Listing Rules.

***(b) Interests of the substantial shareholders in the Shares***

Save as disclosed in “Substantial Shareholders”, immediately following the completion of the Global Offering and without taking into account any Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option, our Directors are not aware of any other person (not being a Director or chief executive of our Company) who will have an interest or short position in our Shares or the underlying Shares which would fall to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting shares of our Company.

*(c) Interests of the substantial shareholders in other members of our Group*

Save as disclosed in “Substantial Shareholders” and below, as of the Latest Practicable Date, our Directors are not aware of any other persons who would, immediately following the completion of the Global Offering, be directly or indirectly interested in 10% or more of the issued voting shares of any member of our Group (other than our Company):

Name of the member of the Group	Name of the shareholder	Approximate percentage of interest in the member of the Group
HashQuark Limited . . . . .	QIMING VENTURE PARTNERS VI, L.P.	12.10%
W3ME Limited . . . . .	Lai Yuen Company Limited	30%
Eminent Vision Limited . . . . .	Purple Mountain Management Limited	10%
Eminent Vision Limited . . . . .	Chuangqi International Limited	10%
Eminent Vision Limited . . . . .	Qian Fenglei	10%

**2. Particulars of Service Contracts***(a) Executive Director*

The executive Director has entered into a service contract with our Company under which he agreed to act as executive Director for an initial term of three years commencing from the Listing Date, which may be terminated by not less than three months’ notice in writing served by either the executive Director or our Company.

The appointment of the executive Director is subject to the provisions of retirement and rotation of Directors under the Articles.

*(b) Non-executive Director and independent non-executive Directors*

Each of the non-executive Director and independent non-executive Directors has signed an appointment letter with our Company for a term of three years with effect from the Listing Date. The appointments are subject to the provisions of retirement and rotation of Directors under the Articles.

**3. Director’s Remuneration**

Save as disclosed in “Directors and Senior Management” and Note 9 to the Accountants’ Report set out in Appendix I to this Prospectus for the three financial years ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025, none of our Directors received other remunerations or benefits in kind from us.

#### 4. Disclaimers

Save as disclosed in this Prospectus:

- (a) none of the Directors or chief executive of our Company has any interest or short positions in the Shares, underlying Shares or debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered into the register referred to in that section, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code, in each case once our Shares are listed on the Stock Exchange;
- (b) none of our Directors is aware of any person (not being a Director or chief executive of our Company) who will, immediately following the completion of the Global Offering (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), have an interest or short position in our Shares or underlying Shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO or who is interested, directly or indirectly, in 10% or more of the issued voting shares of any member of our Group;
- (c) none of our Directors, their respective close associates (as defined under the Listing Rules) or Shareholders who own more than 5% of the number of issued shares of our Company have any interests in the five largest customers or the five largest suppliers of our Group; and
- (d) none of our Directors or any of the parties listed in “— Qualifications of Experts” of this Appendix is:
  - (i) interested in our promotion, or in any assets which have been, within two years immediately preceding the date of this Prospectus, acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to any member of our Group; or
  - (ii) materially interested in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to our business.

## D. PRE-IPO EQUITY INCENTIVE PLAN

For the purposes of encouraging and facilitating the equity participation of our eligible employees, the Company adopted the Pre-IPO Equity Incentive Plan on August 27, 2019, which was further amended and approved on August 17, 2023. The Pre-IPO Equity Incentive Plan is not subject to Chapter 17 of the Listing Rules and it does not involve any further grant of awards by the Company after Listing. The following is a summary of the principal terms of the Pre-IPO Equity Incentive Plan:

### *Administration*

The Pre-IPO Equity Incentive Plan shall be administered by our Board. Subject to the provisions of the Pre-IPO Equity Incentive Plan, our Board's decision as to all matters in relation to the Pre-IPO Equity Incentive Plan or its interpretation or effect shall be final and binding.

### *Eligible Participants*

Options may be granted only to those persons that our Board determines to be eligible employees (the “**Eligible Employees**”), meaning (i) any key full time employee of our Company or its affiliate, as determined by our Board in view of the service period, expertise, capability, contributions and substitutability of such employee, (ii) any officer of our Company or its affiliate, and (iii) any other persons who make substantial contributions to the business of our Group (including external experts or consultants of our Group), as determined by the Board.

### *Form of Awards*

The Pre-IPO Equity Incentive Plan permits the Board to offer to grant options to subscribe for Ordinary Shares to any Eligible Employee which the Board may in its absolute discretion select and subject to such conditions as it may think fit. Our Board is entitled to offer to grant an option to any Eligible Employee by an offer letter (the “**Letter of Offer**”). The Letter of Offer shall contain the terms established by our Board for that offer (including but not limited to the exercise price, vesting schedule).

The date of any grant under the Pre-IPO Equity Incentive Plan is the date on which the acceptance letter in the form and substance approved by the Board is completed, signed and returned by the Eligible Employee, and is received by our Company.

### *Maximum Number of Shares*

The maximum number of Shares in respect of which options may be granted under the Pre-IPO Equity Incentive Plan shall not exceed 57,857,142 Ordinary Shares (or 578,571,420 Ordinary Shares as adjusted after the Share Subdivision), respectively.

***Validity***

The Pre-IPO Equity Incentive Plan shall be valid and effective for the period of 10 years commencing on the date of adoption.

***Vesting Schedules***

The Board may determine a schedule for the vesting of Shares comprised in any option granted, which provisions will be set forth in the Letter of Offer.

***Exercise Period***

The options granted under the Pre-IPO Equity Incentive Plan can be exercised after vesting and before they lapse or are canceled in accordance with the terms of the plan.

***Exercise Price***

The exercise price of the options under the Pre-IPO Equity Incentive Plan shall be determined by our Board.

***Transfer Restrictions***

Options under the plan shall be personal to the grantee and shall be assignable or otherwise transferable. Following the exercise of an option, the grantee may not transfer, encumber or otherwise dispose of any Shares issued to them without the prior approval of the Company.

***Voting Proxy***

Each of the grantees under the plan grants Mr. Lu an irrevocable and unconditional voting proxy over the Shares issued to them following the exercise of their options.

***Capital Restructuring***

In the event of any alteration in the capital structure of the Company (including but not limited to by way of capitalization of profits or reserves, rights issue, consolidation or subdivision), corresponding alterations shall be made to the number of Shares subject to the options, the exercise price, and/or the method of exercise of the option as the Board shall deem appropriate, fair and reasonable; provided that the grantees shall have the same proportion of the equity capital in the Company for which they were entitled to subscribe, immediately before and after the adjustment. The maximum number of Shares available for grant under the plan shall also be adjusted accordingly.

*Outstanding Share Options Granted under the Pre-IPO Equity Incentive Plan*

As of the Latest Practicable Date, we have granted options under the Pre-IPO Equity Incentive Plan representing rights to subscribe for a total of 578,571,420 Shares, of which options representing 106,762,916 underlying Shares have vested and have been exercised. As of the Latest Practicable Date, the number of underlying Shares pursuant to the outstanding share options granted under the Pre-IPO Equity Incentive Plan amounted to 471,808,504 Ordinary Shares, representing approximately 17.06% of the issued Shares immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised). No consideration was payable by the grantees for the grant of share options under the Pre-IPO Equity Incentive Plan.

As of the Latest Practicable Date, all of the 578,571,420 ESOP Shares have been issued and are held by the ESOP Platform, therefore the vesting and exercise of all outstanding share options granted under the Pre-IPO Equity Incentive Plan will not have any dilutive effect on the shareholding of our Shareholders or our earnings per Share.

As of the Latest Practicable Date, there are a total of 438 grantees under the Pre-IPO Equity Incentive Scheme, including one Director, five senior management members and 432 other grantees (who are our employees or former employees and not Directors, senior management members, consultants or connected persons of the Company). Details of the outstanding options granted to (i) the Director, (ii) the senior management members, (iii) grantees who have been granted outstanding options to subscribe for 5 million or more Shares, and (iv) on an aggregate basis, the remaining grantees under the Pre-IPO Equity Incentive Plan are set out below:

Name	Address	Position in our Group	Date of grant	Vesting period	Exercise price per Share	Number of Shares underlying the outstanding options	Approximate % of issued Shares immediately after completion of the Global Offering <sup>(1)</sup>
(US\$)							
<i>Director</i>							
Dr. Xiao Feng . . .	Residence 1424, K11 Artus, Victoria Dockside, 18 Salisbury Road, Kowloon, Hong Kong	Executive Director, chairperson of the Board and chief executive officer of our Company	November 19, 2025	4 years	0.00001	158,448,065	5.73%

Name	Address	Position in our Group	Date of grant	Vesting period	Exercise price per Share (US\$)	Number of Shares underlying the outstanding options	Approximate % of issued Shares immediately after completion of the Global Offering <sup>(1)</sup>
<i>Senior Management</i>							
Mr. Zhu Minghua . .	Block 5, Tam Gardens, 25 Sha Wan Drive, Hong Kong	Chief financial officer of our Company	January 1, 2023 – September 22, 2025	4 years	0.00001	15,866,589	0.57%
Mr. Ru Haiyang . . .	Tower 2, Grand Victoria Phase I, 6 Lai Ying Street, Kowloon, Hong Kong	Chief executive officer of HashKey Exchange	July 1, 2023 – September 22, 2025	4 years	0.00001	23,819,104	0.86%
Ms. Liu Jia Anna . .	Tower 1, One Silversea, No. 18 Hoi Fai Road, Tai Kok Tsui, Kowloon, Hong Kong	Chief executive officer of HashKey Tokenisation	September 22, 2025	4 years	0.00001	14,579,610	0.53%
Mr. Jamie Allan . . .	6 Ellerton Ramp, Buena Vista, Gibraltar, GX11 1AA	Senior representative of HashKey Bermuda Limited	September 22, 2025	4 years	0.00001	664,313	0.02%
Mr. Ben Hazim El-Baz . . . . .	Tower 6, Larvotto, 8 Ap Lei Chau Praya Road, Ap Lei Chau, Hong Kong	Managing director of HashKey MENA FZE	January 1, 2023 – September 22, 2025	3-4 years	0.00001	5,078,962	0.18%
<i>Grantees with outstanding options to subscribe for 5 million or more Shares</i>							
Lee Kai Tai Michel .	The Royal Court, 3 Kennedy Road, Central, Mid-Level, Hong Kong	Former Executive President	January 1, 2023	1 year	0.00001	28,928,571	1.05%

**APPENDIX IV**
**STATUTORY AND GENERAL INFORMATION**

Name	Address	Position in our Group	Date of grant	Vesting period	Exercise price per Share	Number of Shares underlying the outstanding options	Approximate % of issued Shares immediately after completion of the Global Offering <sup>(1)</sup>
							(US\$)
Zhong Zhi-ming . . .	Burnside Villa, 9 South Bay Road, Repulse Bay, Hong Kong	Former CEO of Hash Blockchain Limited	January 1, 2023	1 year	0.00001	24,107,142	0.87%
Weng Xiaoqi . . . .	Highone Grand, 188 Fuk Wing Street, Shamshuipo, Kowloon	Former Chief Executive Officer, HashKey Exchange Hong Kong	April 1, 2023 – January 1, 2024	0-4 years	0.00001	20,350,813	0.74%
Zhang Jiayin . . . .	Blk 8 Phase 2, Belvedere Garden, 620 Castle Peak Road Tsuen Wan, NT	Chief Technology Officer, HashKey Group	July 1, 2024 – September 22, 2025	4 years	0.00001	16,107,659	0.58%
Long Yu . . . . .	No.118 Queen's Road West, Sheung Wan, Hong Kong	Chief Human Resources and Administrative Officer, HashKey Group	April 1, 2023 – September 22, 2025	4 years	0.00001	15,866,589	0.57%
Li Chen . . . . .	Victoria Harbour Residence, Tower 6, 133 Java Rd, North Point, Hong Kong	Chief Executive Officer, HashKey On-Chain BG	September 22, 2025	4 years	0.00001	13,254,191	0.48%
Deng Chao . . . . .	Tong Tau Po Tsuen, Yuen Long, N.T., Hong Kong	HashKey Singapore President and HashKey Capital CEO	September 22, 2025	4 years	0.00001	11,045,159	0.40%
Guo Wenbin . . . .	Tower 2B, 28 Sham Mong Road, Cullinan West, Sham Shui Po, Kowloon	Former Chief Technology Officer, HashKey Group	January 1, 2023	4 years	0.00001	9,642,856	0.35%

Name	Address	Position in our Group	Date of grant	Vesting period	Exercise price per Share	Number of Shares underlying the outstanding options	Approximate % of issued Shares immediately after completion of the Global Offering <sup>(1)</sup>
					(US\$)		
Other grantees . . .			January 1, 2023 –	0-4 years	0.00001	114,048,881	4.12%
			November 20,				
			2025				
<b>Total . . . . .</b>						471,808,504	17.06%

*Notes:*

(1) Assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised.

We have applied for, and have been granted (i) a waiver from the Stock Exchange from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of and paragraph 27 of Appendix D1A to the Listing Rules in connection with the information of the options granted under the Pre-IPO Equity Incentive Plan; and (ii) an exemption from the SFC from strict compliance with the disclosure requirements under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) in connection with the information of the options granted under the Pre-IPO Equity Incentive Plan. For further details, please refer to the section headed “Waivers and Exemption — Waiver and Exemption in relation to the Pre-IPO Equity Incentive Plan” in this Prospectus.

## E. OTHER INFORMATION

### 1. Litigation

As of the Latest Practicable Date, we are not aware of any other litigation or arbitration proceedings of material importance pending or threatened against us or any of our Directors that could have a material adverse effect on our financial condition or results of operations.

### 2. No Material Adverse Change

The Directors confirm that there has been no material change in the financial or trading position or prospects of our Group since June 30, 2025 (being the date to which the latest audited consolidated financial statements of our Group were prepared) and up to the date of this Prospectus.

### 3. The Joint Sponsors

The Joint Sponsors is independent from our Company pursuant to Rule 3A.07 of the Listing Rules. While the Group had certain business relationship with affiliates of Guotai Junan Capital Limited on transaction facilitation services and on-chain services during the Track Record Period and up to the Latest Practicable Date, such transaction amount was de minimis and would not affect its independence as a sponsor. The fee payable by our Company to the Joint Sponsors to act as sponsor to our Company in connection with the Global Offering is US\$700,000 in total.

### 4. Preliminary expenses

We have not incurred any material preliminary expenses.

### 5. Promoter

Our Company has no promoter for the purpose of the Listing Rules.

### 6. Qualification of Experts

The following are the qualifications of the experts who have given opinion or advice which are contained in this Prospectus:

Name	Qualification
J.P. Morgan Securities (Far East) Limited . . . . .	A licensed corporation to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities as defined under the SFO
Guotai Junan Capital Limited . . . . .	A licensed corporation to conduct type 6 (advising on corporate finance) regulated activities as defined under the SFO
Ogier . . . . .	Legal advisor to our Company as to Cayman Islands laws
KPMG . . . . .	Certified Public Accountants Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
Frost & Sullivan Limited . . . . .	Industry consultant

**7. Consent of Experts**

Each of the experts named above has given and has not withdrawn its respective written consent to the issue of this Prospectus with the inclusion of its report and/or letter and/or opinion and/or the references to its name included in this Prospectus in the form and context in which it is respectively included.

**8. Binding Effect**

This Prospectus shall have the effect, if an application is made in pursuance of this Prospectus, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance insofar as applicable.

**9. Bilingual Prospectus**

The English and Chinese language versions of this Prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

**F. MISCELLANEOUS**

Save as otherwise disclosed in this Prospectus:

- (a) within the two years preceding the date of this Prospectus: (i) we have not issued nor agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash; and (ii) no commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any shares of our Company;
- (b) no share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option;
- (c) we have not issued nor agreed to issue any founder shares, management shares or deferred shares;
- (d) there are no arrangements under which future dividends are waived or agreed to be waived;
- (e) there are no contracts for hire or hire purchase of plant to or by us for a period of over one year which are substantial in relation to our business;

- (f) there have been no interruptions in our business which may have or have had a significant effect on our financial position in the last 12 months;
- (g) there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong; and
- (h) no part of the equity or debt securities of our Company, if any, is currently listed on or dealt in on any stock exchange or trading system, and no such listing or permission to list on any stock exchange other than the Hong Kong Stock Exchange is currently being or agreed to be sought.

**DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES**

The documents attached to the copy of this Prospectus delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

- (a) the written consents referred to in the section headed “Statutory and General Information — E. Other Information — 7. Consent of Experts” in Appendix IV to this Prospectus; and
- (b) a copy of each of the material contracts referred to in the section headed “Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contracts” in Appendix IV to this Prospectus.

**DOCUMENTS AVAILABLE ON DISPLAY**

Copies of the following documents will be available on display on the Company’s website (<https://group.hashkey.com>) and the Stock Exchange’s website (<https://www.hkexnews.hk>) up to and including the date which is 14 days from the date of this Prospectus:

- (a) the Memorandum and Articles of Association of our Company;
- (b) the audited consolidated financial statements of our Company for the years ended December 31, 2022, 2023 and 2024, and the six months ended June 30, 2025;
- (c) the Accountants’ Report from KPMG, the text of which is set out in Appendix I to this Prospectus;
- (d) the report on the unaudited pro forma financial information from KPMG, the text of which is set out in Appendix II to this Prospectus;
- (e) the letter of advice from Ogier, our legal advisor as to the laws of the Cayman Islands, summarizing certain aspects of the Cayman Companies Act referred to in Appendix III to this Prospectus;
- (f) the report issued by Frost & Sullivan Limited, a summary of which is set forth in the section headed “Industry Overview”;
- (g) the material contracts referred to in the section entitled “Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contracts” in Appendix IV to this Prospectus;
- (h) the written consents referred to in the section entitled “Statutory and General Information — E. Other Information — 7. Consent of Experts” in Appendix IV to this Prospectus;

- (i) the service contracts and the letters of appointment with our Directors referred to in the section headed “Statutory and General Information — C. Further Information about Our Directors and Substantial Shareholders — 2. Particulars of Service Contracts” in Appendix IV to this Prospectus;
- (j) the terms of the Pre-IPO Equity Incentive Plan; and
- (k) the Cayman Companies Act.

**DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of a full list of all the grantees under the Pre-IPO Equity Incentive Plan will be made available for public inspection at our Company’s Hong Kong legal advisor’s office in Hong Kong at 10/F, The Hong Kong Club Building, 3A Chater Road, Central, Hong Kong, during normal business hours up to and including the date which is 14 days from the date of this Prospectus.



**HASHKEY**

HashKey Holdings Limited