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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Harbour Digital Asset Capital Limited (the “Company”), you should at once forward this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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This circular appears for information only and does not constitute an invitation or offer to Shareholders or any other persons to acquire, purchase, or subscribe for securities of the Company.



HARBOUR DIGITAL

Harbour Digital Asset Capital Limited

港灣數字產業資本有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 913)

PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE

Placing Agent

Suncorp
Securities Limited

**Independent Financial Adviser to
the Independent Board Committee and
the Independent Shareholders**

VINCO 萬安

Vinco Financial Limited

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

It should be noted that the Shares will be dealt in on an ex-rights basis from Monday, 7 September 2026. Dealings in the Rights Shares in their nil-paid form will take place from Friday, 18 September 2026 to Friday, 25 September 2026 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or waived (as applicable), the Rights Issue will not proceed. Any persons contemplating dealings in the Shares prior to the date on which the conditions of the Rights Issue are fulfilled or waived (as applicable), and/or dealings in the nil-paid Rights Shares, are accordingly subject to the risk that the Rights Issue may not become unconditional and may not proceed.

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. Please refer to the section headed “Conditions of the Rights Issue” in this circular. In the event of an undersubscription of the Rights Issue, any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed on a best effort basis by the Placing Agent to independent placees under the Placing. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares remain not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

A letter of advice from Vinco Financial Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, is set out on pages 35 to 60 of this circular and a letter of recommendation from the Independent Board Committee to the Independent Shareholders is set out on pages 33 to 34 of this circular.

A notice convening the EGM to be held at 11:30 a.m. on Thursday, 3 September 2026 at Portion 2, 12/F., The Center, 99 Queen's Road Central, Central, Hong Kong together with the form of proxy are enclosed with this circular. Whether or not you are able to attend the EGM, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof (as the case may be) should you so wish.

13 August 2026

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EXPECTED TIMETABLE

The expected timetable for the proposed Rights Issue and the Placing is set out below:

Event	Date and time (Hong Kong time)
Latest time for lodging transfers of Shares to qualify for attendance and voting at the EGM	4:30 p.m. on Friday, 28 August 2026
Closure of register of members of the Company to determine entitlement to attend and vote at the EGM	Monday, 31 August 2026 to Thursday, 3 September 2026 (both days inclusive)
Latest time for lodging proxy forms for the EGM	11:30 a.m. on Tuesday, 1 September 2026
Record date for determining attendance and voting at the EGM	Thursday, 3 September 2026
Expected date and time of the EGM	11:30 a.m. on Thursday, 3 September 2026
Announcement of poll results of the EGM	Thursday, 3 September 2026
Re-opening of the register of members of the Company	Friday, 4 September 2026
Last day of dealings in the Shares on a cum-rights basis relating to the Rights Issue	Friday, 4 September 2026
First day of dealings in the Shares on an ex-rights basis relating to the Rights Issue	Monday, 7 September 2026
Latest time for lodging transfers of the Shares in order to be qualified for the Rights Issue	4:30 p.m. on Tuesday, 8 September 2026
Closure of register of members to determine the entitlements to the Rights Issue	Wednesday, 9 September 2026 to Tuesday, 15 September 2026 (both days inclusive)
Record Date	Tuesday, 15 September 2026

EXPECTED TIMETABLE

Re-opening of the register of members of the Company	Wednesday, 16 September 2026
Prospectus Documents are made available and/or despatched (as the case may be) to the Qualifying Shareholders (in the case of the Non-Qualifying Shareholders, the Prospectus only)	Wednesday, 16 September 2026
First day of dealings in nil-paid Rights Shares	Friday, 18 September 2026
Latest time for splitting of the PALs	4:30 p.m. on Tuesday, 22 September 2026
Last day of dealings in nil-paid Rights Shares	Friday, 25 September 2026
Latest Time for Acceptance and payment for the Rights Share	4:00 p.m. on Wednesday, 30 September 2026
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the payment of Net Gain	4:00 p.m. on Wednesday, 30 September 2026
Announcement of the number of the Unsubscribed Rights Shares and NQS Unsold Rights Shares subject to the Placing	Thursday, 8 October 2026
Commencement of the Placing Period (if there are any Unsubscribed Rights Shares and NQS Unsold Rights Shares available)	Friday, 9 October 2026
Latest time of placing of Unsubscribed Rights Shares and NQS Unsold Rights Shares subject to the Compensatory Arrangements	4:00 p.m. on Thursday, 22 October 2026
Latest Time for termination of the Placing Agreement	4:00 p.m. on Friday, 23 October 2026
Announcement of the results of the Rights Issue (including the results of the Placing and the Net Gain)	Thursday, 29 October 2026
Despatch of share certificates for the Rights Shares and/or refund cheques	Friday, 30 October 2026

EXPECTED TIMETABLE

First day of dealings in the fully-paid Rights Shares Monday, 2 November 2026

Designated broker starts to stand in the market to provide
matching services for odd lots of the Shares 9:00 a.m. on
Monday, 2 November 2026

Payment of Net Gain to relevant No Action Shareholders
(if any) or Non-Qualifying Shareholders (if any) Tuesday, 17 November 2026

Designated broker ceases to provide matching services for
odd lots of the Shares 4:00 p.m. on
Thursday, 19 November 2026

Note: Shareholders should note that the dates and deadlines specified in the above timetable, and in other parts of this circular are indicative only and subject to change. Further announcement(s) will be made if there is any change to the expected timetable.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE

The Latest Time for Acceptance will not take place if there is a No. 8 typhoon warning signal or above, a black rainstorm warning signal and/or Extreme Conditions:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day;
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. in Hong Kong.

If the Latest Time for Acceptance does not take place on the date of Latest Time for Acceptance, the dates mentioned in the section headed “Expected timetable” in this circular may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context otherwise requires:

“AFRC”	the Accounting and Financial Reporting Council
“Announcement”	the announcement of the Company dated 26 May 2026 in relation to, the Rights Issue and the Placing
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (other than a Saturday, Sunday or public holiday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted or the Extreme Conditions is announced in Hong Kong between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Harbour Digital Asset Capital Limited, a company incorporated under the laws of the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange (stock code: 913)
“Compensatory Arrangements”	the compensatory arrangements pursuant to Rule 7.21(1)(b) of the Listing Rules as described in the paragraph headed “Procedures in respect of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares and the Compensatory Arrangements” in this circular
“connected person(s)”	having the meaning ascribed thereto under the Listing Rules
“Custodian”	Chong Hing Bank Limited (formerly known as Liu Chong Hing Bank Limited), the custodian appointed by the Company
“Custodian Agreement”	the custodian agreement dated 8 November 2005 entered into between the Company and the Custodian
“Director(s)”	the director(s) of the Company

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving the resolutions in relation to the Rights Issue, which is expected to be held at 11:30 a.m. on Thursday, 3 September 2026 and any adjournment thereof
“Extreme Conditions”	extreme conditions 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
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Board, comprising all the independent non-executive Directors, which has been established under the Listing Rules, to make recommendations to the Independent Shareholders in respect of the terms of the Rights Issue
“Independent Financial Adviser” or “Vinc Financial”	Vinc Financial Limited, a corporation licensed to carry out Type 1 (dealing securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed and approved by the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Rights Issue, and as to voting action therefor
“Independent Shareholder(s)”	any Shareholder(s) who is(are) not required to abstain from voting on the resolution relating to the Rights Issue and the Placing at the EGM under the Listing Rules
“Independent Third Parties”	third party(ies) independent of the Company and its connected persons and not connected with any of them or their respective associates

DEFINITIONS

“Investment Manager”	Sinolink Securities (Hong Kong) Company Limited, a licensed corporation registered under the SFO to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, the investment manager appointed by the Company
“Last Trading Day”	26 May 2026, being the last full trading day before the release of the Announcement
“Latest Practicable Date”	7 August 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its publication
“Latest Time for Acceptance”	4:00 p.m. on Wednesday, 30 September 2026 (or such other time and date as may be determined by the Company), being the latest time for the acceptance of, and payment for, the Rights Shares
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the memorandum of association of the Company
“Net Gain”	the aggregate of any premiums (being the aggregate amount paid by the placees) after deducting the aggregate amount of the Subscription Price for the Placing Shares placed by the Placing Agent under the Placing Agreement
“No Action Shareholder(s)”	Qualifying Shareholder(s) or renouncee(s) or transferee(s) of nil-paid rights under PAL(s) during the Rights Issue who do not subscribe for the Rights Shares (whether partially or fully) under the PAL(s), or such persons who hold any nil-paid rights at the time such nil-paid rights lapse

DEFINITIONS

“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) whom the Board, after making enquiries, consider it necessary or expedient not to offer the Rights Shares to such Shareholder(s) on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“NQS Unsold Rights Shares”	the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear on the register of members of the Company as at close of business on the Record Date and whose address(es) as shown on such register at that time is(are) in (a) place(s) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placee(s)”	any Professional Investor(s) procured by the Placing Agent or any of their sub-placing agent(s) to subscribe for any of the Placing Shares under the Placing
“Placing”	arrangements to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent on a best effort basis to investors who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are Independent Third Parties during the Placing Period on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	Suncorp Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO
“Placing Agreement”	the placing agreement dated 26 May 2026, supplemented by another agreement dated 7 August 2026, entered into between the Company and the Placing Agent in relation to the placing of the Placing Shares

DEFINITIONS

“Placing Long Stop Date”	Friday, 30 October 2026 or such later date as the Company and the Placing Agent may agree in writing
“Placing Period”	the period commencing from the first Business Day after the date of announcement of the number of the Unsubscribed Rights Shares and NQS Unsold Rights Shares, which is expected to be Friday, 9 October 2026 and ending at 4:00 p.m. on Thursday, 22 October 2026
“Placing Share(s)”	the Unsubscribed Rights Share(s) and the NQS Unsold Rights Share(s)
“Posting Date”	Wednesday, 16 September 2026 (or such other date as may be determined by the Company), being the date on which the Prospectus Documents are made available to the Qualifying Shareholders and the Prospectus for information only to the Non-Qualifying Shareholders
“PRC”	the People’s Republic of China, which for the purpose of this circular excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Professional Investor”	has the same meaning as ascribed thereto in Part 1 of Schedule 1 to the SFO and any rules made thereunder
“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue
“Prospectus Documents”	the Prospectus and the PAL(s)
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholders whose name(s) appear on the register of members of the Company on the Record Date
“Record Date”	Tuesday, 15 September 2026 or such other date as the Company may determine, for the determination of the entitlements under the Rights Issue
“Registrar”	the Company’s share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong

DEFINITIONS

“Rights Issue”	the issue of Rights Shares at the Subscription Price on the basis of three (3) Rights Shares for every two (2) Shares held on the Record Date payable in full on acceptance
“Rights Share(s)”	532,227,024 Shares to be allotted and issued pursuant to the Rights Issue (assuming no change in the number of Shares in issue on or before the Record Date)
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the share(s) in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.140 per Rights Share
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the SFC (as may be amended from time to time)
“Unsubscribed Rights Share(s)”	the number of Unsubscribed Rights Share(s) not taken up by the Qualifying Shareholder(s) or renouncee(s) or transferee(s) of nil-paid rights under PAL(s) during the Rights Issue
“USA”	United States of America
“%”	per cent

LETTER FROM THE BOARD



HARBOUR DIGITAL

Harbour Digital Asset Capital Limited

港灣數字產業資本有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 913)

Executive Director:

Ms. SHUM Kit Lan Anita

Non-executive Director:

Mr. ZHANG Baiyan

Independent Non-executive Directors:

Mr. HUNG Cho Sing

Ms. CHUNG Fai Chun

Mr. YU Tat Chi Michael

Registered office:

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Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Room 1006, 10th Floor, 299QRC

287-299 Queen's Road Central

Sheung Wan, Hong Kong

13 August 2026

To the Shareholders,

Dear Sir or Madam,

**PROPOSED RIGHTS ISSUE ON THE BASIS OF
THREE (3) RIGHTS SHARES FOR
EVERY TWO (2) SHARES
HELD ON THE RECORD DATE; AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

References are made to the Announcement in relation to, the Rights Issue and the Placing.

The purpose of this circular is to provide you with (i) further information regarding the Rights Issue and the transactions contemplated thereunder; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue;

LETTER FROM THE BOARD

(iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue; (iv) other information required under the Listing Rules; and (v) the notice of the EGM.

PROPOSED RIGHTS ISSUE

The Board proposes to conduct the Rights Issue on the basis of three (3) Rights Shares for every two (2) Shares held as at the Record Date. Set out below are the details of the Rights Issue statistics.

Rights Issue statistics

Basis of the Rights Issue	:	Three (3) Rights Share for every two (2) Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.140 per Rights Share
Net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	:	Approximately HK\$0.137 per Rights Share (on the basis that all the Rights Shares will be taken up)
Number of Shares in issue as at the Latest Practicable Date	:	354,818,016 Shares
Number of Rights Shares (Shares to be issued pursuant to the Rights Issue)	:	532,227,024 Rights Shares (assuming there is no change in the number of Shares in issue on or before the Record Date) with an aggregate nominal value of HK\$532,227.02
Total number of Shares in issue upon completion of the Rights Issue	:	887,045,040 Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Gross proceeds from the Rights Issue	:	Approximately HK\$74.5 million before expenses (assuming no change in the number of Shares in issue on or before the Record Date)

The Company has no outstanding warrants, options or convertible securities in issue or other similar rights entitling holders thereof to convert into or exchange into or subscribe for new Shares as at the Latest Practicable Date.

LETTER FROM THE BOARD

Assuming no change in the number of Shares in issue on or before the Record Date, the aggregate 532,227,024 Rights Shares to be issued pursuant to the terms of the Rights Issue represent 150% of the total number of issued Shares and 60% of the total number of issued Shares as enlarged by the issue of the Rights Shares (assuming full acceptance by the Qualifying Shareholders).

The Subscription Price

The Subscription Price is HK\$0.140 per Rights Share, which shall be payable in full by the Qualifying Shareholders upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 9.7% to the closing price of HK\$0.155 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 19.1% to the closing price of HK\$0.173 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 20.9% to the average closing price of HK\$0.1770 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 22.2% to the average closing price of HK\$0.1800 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 21.3% to the average closing price of HK\$0.1778 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day;
- (vi) theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately 12.8%, based on the theoretical diluted price of HK\$0.1551 per Share to the benchmarked price of approximately HK\$0.1778 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price of HK\$0.173 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) the average closing price of HK\$0.1778 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day); and

LETTER FROM THE BOARD

- (vii) a discount of approximately 84.4% to the audited consolidated net asset value per Share of approximately HK\$0.90 (“NAV per Share”) based on the audited consolidated net asset value of the Company of approximately HK\$319.5 million as at 31 December 2025 and the total number of 354,818,016 Shares in issue.

The Subscription Price was determined with reference to, among other things, (i) the market price of the Shares under the prevailing market conditions; (ii) the current business performance and financial position of the Group; and (iii) the reasons for and benefits of the proposed Rights Issue as discussed in the section head “Reasons for the Rights Issue and Use of Proceeds” in this circular, and the amount of funds the Company intends to raise under the Rights Issue.

The Directors consider that it is reasonable to set the Subscription Price at a discount to the prevailing market price and the NAV per Share as illustrated above, taking into consideration:

- (i) based on the closing price of HK\$0.173 per Share as quoted on the Stock Exchange on the Last Trading Day, the Shares have been traded at a discount of approximately 80.8% to the NAV per Share of approximately HK\$0.90 with reference to the audited consolidated net asset value of the Company of approximately HK\$319.5 million as at 31 December 2025 and the total number of 354,818,016 Shares in issue as at the Last Trading Day;
- (ii) during the twelve months ended 30 April 2026, the Company’s average monthly trading turnover of approximately HK\$1.0 million (calculated based on the total trading turnover during the aforesaid twelve months divided by twelve months) represented merely approximately 1.5% of the market capitalisation of the Company of approximately HK\$66.0 million as at 30 April 2026; and
- (iii) if the Subscription Price is set much closer to the NAV per Share, that price will be far higher than recent trading prices of the Shares in the market and unsatisfactory subscription of Rights Shares will be expected. This will lead to the diminishing of financial resources to be obtained by the Company from Rights Issue with considerable administrative costs incurred.

Under the prevailing market conditions and economic sentiment and with reference to (i) the recent market performance of the Shares particularly the Company’s average trading volume as illustrated above indicated a lack of liquidity and demand for the Shares; and (ii) the Shares have been traded at a discount to the NAV per Share, the Directors consider that it would be more practical and commercially reasonable to set a subscription price which is lower than the prevailing market price and the NAV per Share as illustrated above in order to enhance the attractiveness of the Rights Issue and encourage the Qualifying Shareholders and investors to participate in the Rights Issue.

LETTER FROM THE BOARD

The Directors (including the members of the Independent Board Committee, whose views are expressed in the letter from the Independent Board Committee) consider that, despite any potential dilution impact of the proposed Rights Issue on the shareholding interests of the Shareholders, the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account that (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue can sell the nil-paid rights in the market; (ii) the Rights Issue allows the Qualifying Shareholders to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a relatively low price as compared to the historical market price of the Shares and discount to the recent closing prices of the Shares; (iii) the funding needs of the Group, details of which are set forth in the paragraph headed “Reasons for the Rights Issue and Use of Proceeds” in this circular; and (iv) the proceeds from the Rights Issue can improve the financial condition and reduce the gearing ratio and interest burden of the Group.

Non-underwritten basis

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event of an undersubscription of the Rights Issue, any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed on a best effort basis by the Placing Agent to independent placees under the Placing. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares remain not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

There is no minimum amount to be raised under the Rights Issue. There are no applicable statutory requirements under the laws of the Cayman Islands regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, Shareholder who applies to take up all or part of his/her/its entitlement under the PAL may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders (other than HKSCC Nominees Limited) to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on the part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules. The Rights Issue will also be scaled down to a level in compliance with Rule 8.08 of the Listing Rules, when necessary.

LETTER FROM THE BOARD

Conditions of the Rights Issue

The Rights Issue is conditional upon each of the following conditions being fulfilled:

- (i) the passing by more than 50% of the votes cast by the Independent Shareholders by way of poll of all necessary resolutions to be proposed at the EGM for the transactions contemplated under the Rights Issue to be effective in compliance with the Listing Rules, including but not limited to approving, confirming and/or ratifying the Rights Issue, including the allotment and issue of the Rights Shares in their nil-paid and fully-paid forms;
- (ii) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively of the Prospectus Documents in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Posting Date;
- (iii) following registration, the Prospectus Documents having been made available to the Qualifying Shareholders and the Prospectus for information only to the Non-Qualifying Shareholders the publication of the Prospectus Documents on the website of the Stock Exchange on or before the Posting Date;
- (iv) the grant of listing of the Rights Shares (in both nil-paid and fully paid forms) by the Stock Exchange (either unconditionally or subject only to the allotment and despatch of the share certificates in respect thereof) and the grant of permission to deal in the nil-paid Rights Shares and the fully-paid Rights Shares by the Stock Exchange (and such permission and listing not subsequently having been withdrawn or revoked);
- (v) the Placing Agreement not having been terminated in accordance with the provisions thereof; and
- (vi) all other necessary waivers, consent and approvals (if required) from the relevant governmental or regulatory authorities for the Rights Issue and the transactions contemplated thereunder having been obtained and fulfilled.

In relation to the condition set out in paragraph (vi) above, the Directors confirmed that, save for (a) the grant of listing of the Rights Shares (in both nil-paid and fully paid forms) and the grant of permission to deal in the nil-paid Rights Shares and the fully-paid Rights Shares by the Stock Exchange; and (b) the registration of the Prospectus Documents by the Registrar of Companies in Hong Kong with such authorisation by the Stock Exchange, no other waiver, consent or approval is considered to be necessary for the Rights Issue to be effective.

LETTER FROM THE BOARD

None of the above conditions precedent can be waived. As at the Latest Practicable Date, none of the above conditions has been fulfilled. If any of the above conditions are not satisfied at or before 4:00 p.m. on Friday, 23 October 2026 (or such later date as the Company may determine), the Rights Issue will not proceed.

As the proposed Rights Issue is subject to the above conditions, it may or may not proceed.

Status of the Rights Shares

The Rights Shares (when allotted, fully-paid or credited as fully paid and issued) will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully paid Rights Shares.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy or any other applicable fees and charges in Hong Kong.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, Shareholder must be registered as a member of the Company on the Record Date and not be a Non-Qualifying Shareholder.

In order to be registered as members of the Company prior to the closing of business on the Record Date, all transfers of Shares (together with the relevant share certificates and instruments of transfer) must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by 4:30 p.m. on Tuesday, 8 September 2026.

Closure of register of members

The register of members of the Company will be closed from Wednesday, 9 September 2026 to Tuesday, 15 September 2026 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

Basis of provisional allotment

The basis of the provisional allotment shall be three (3) Rights Shares (in nil-paid form) for every two (2) Shares held by the Qualifying Shareholders as at the close of business on the Record Date. There will be no excess application arrangements in relation to the Rights Issue.

LETTER FROM THE BOARD

Acceptance for all or any part of a Qualifying Shareholder's provisional allotment should be made only by lodging a duly completed PAL with a remittance for the Rights Shares being accepted by the Registrar by the Latest Time for Acceptance.

Rights of Overseas Shareholders (if any)

As at the Latest Practicable Date, based on the register of members of the Company, there were a total of 240 Overseas Shareholders with registered addresses located outside Hong Kong, details of which are set out below:

Jurisdiction	Number of Overseas Shareholder(s)	Aggregate number of	Approximate percentage of issued share capital of the Company
		Shares held by Overseas Shareholder(s) in the jurisdiction	
The PRC	240	10,637,500	3.0%

Save for the 240 Overseas Shareholders with registered addresses located in the PRC, there were no other Overseas Shareholders based on the register of members of the Company as at the Latest Practicable Date.

In compliance with Rule 13.36(2)(a) of the Listing Rules, the Company has made enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. Having considered the results of such enquiries obtained, the Directors are of view that there are no legal restrictions under the laws of or the requirements of the relevant regulatory bodies or stock exchange in the PRC with respect to the offer of the Rights Shares to the Overseas Shareholders with registered addresses in such jurisdictions as at the Latest Practicable Date. Accordingly, the Directors have decided to extend the Rights Issue to the Overseas Shareholders having registered addresses in the PRC and such Overseas Shareholders are considered as Qualifying Shareholders.

Overseas Shareholders should note that they may or may not be entitled to participate in the Rights Issue, subject to the results of the enquiries to be made by the Board pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares.

The Prospectus Documents are not intended to be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. In the event that additional Overseas Shareholder(s), other than the Overseas Shareholders with registered addresses located in the PRC and Cayman Islands as mentioned above, is/are identified as at the Record Date, such Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

LETTER FROM THE BOARD

In the event additional Overseas Shareholder(s), other than the Overseas Shareholder with registered address located in the PRC and Cayman Islands as mentioned above, is/are identified as at the Record Date, the Company will comply with Rule 13.36(2)(a) of the Listing Rules to make enquiries regarding the feasibility of extending the offer of the Rights Issue to Overseas Shareholders, if any, under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, based on the legal advice to be provided by the legal advisor of the Company, the Board considers that it would be necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account of either the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in such relevant jurisdiction, the Rights Issue will not be extended to such Overseas Shareholders. In such circumstances, the Rights Issue will not be extended to the Non-Qualifying Shareholders. The basis for excluding the Non-Qualifying Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the Rights Shares in their nil-paid form commence and before dealings in the Rights Shares in their nil-paid form end, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, of more than HK\$100 will be paid to the Non-Qualifying Shareholders pro rata to their shareholdings held on the Record Date. In light of administrative costs, the Company will retain individual amounts of HK\$100 or less for its own benefit.

Procedures in respect of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares and the Compensatory Arrangements

The Company will make arrangements described in Rule 7.21(1)(b) of the Listing Rule to dispose of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by offering the Unsubscribed Rights Shares and NQS Unsold Rights Shares to independent placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue. On 26 May 2026, the Company entered into the Placing Agreement with the Placing Agent, which is supplemented by another agreement dated 7 August 2026, in relation to the placing of the Unsubscribed Rights Shares and NQS Unsold Rights Shares to independent placees on a best effort basis.

Pursuant to the Placing Agreement, the Company appointed the Placing Agent to place the Placing Shares during the Placing Period to independent placees on a best effort basis, any premium over the Subscription Price for those Rights Shares that is realised will be paid to those No Action Shareholders and Non-Qualifying Shareholders on a pro-rata basis. The Placing Agent will on a best effort basis, procure, by not later than 4:00 p.m. on Thursday, 22 October 2026, placees to subscribe for all (or as many as possible) of those Unsubscribed Rights Shares and

LETTER FROM THE BOARD

NQS Unsold Rights Shares. Any Unsubscribed Rights Shares and NQS Unsold Rights Shares remain not placed after completion of the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) to the No Action Shareholders and Non-Qualifying Shareholders as set out below on a pro rata basis (but rounded down to the nearest cent):

- A. for No Action Shareholders, the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and
- B. for Non-Qualifying Shareholders, the relevant Non-Qualifying Shareholders with reference to their shareholdings in the Company on the Record Date.

If and to the extent in respect of any Net Gain, any No Action Shareholders or Non-Qualifying Shareholders become entitled on the basis described above to an amount of HK\$100 or more, such amount will be paid to the relevant No Action Shareholders and Non-Qualifying Shareholders in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit.

Placing Agreement for Unsubscribed Rights Shares and NQS Unsold Rights Shares

Details of the placing agreement entered into on 26 May 2026, which is supplemented by another agreement dated 7 August 2026, are summarised below:

Issuer	:	The Company
Placing Agent	:	Suncorp Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO, was appointed as the Placing Agent to procure, on a best effort basis, the Placees to subscribe for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares during the Placing Period.

The Placing Agent confirmed that it and its ultimate beneficial owner(s) are Independent Third Parties.

Placing Period	:	The period commencing from Friday, 9 October 2026 and ending at 4:00 p.m. on Thursday, 22 October 2026.
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LETTER FROM THE BOARD

- Commission and expenses : The Company shall pay the Placing Agent a placing commission equivalent to 3% of the amount which is equal to the Placing Price multiplied by the total number of the Unsubscribed Rights Shares and NQS Unsold Rights Shares which are successfully placed by the Placing Agent.
- Placing price : The placing price of each of the Placing Shares shall be not less than the Subscription Price. The final price determination will be dependent on the demand and market conditions of the Placing Shares during the process of placement.
- Placee(s) : Any Professional Investor(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agent(s), who and whose ultimate beneficial owners shall be Independent Third Party(ies), to subscribe for any of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares, with an amount of not less than HK\$500,000 individually, on a best efforts basis pursuant to the Placing Agreement.
- The Placing Agent will use its best endeavour to procure that the Placing will not have any implications under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing.
- Ranking of the Placing Shares : The Placing Shares (when placed, allotted, issued and fully paid), shall rank *pari passu* in all respects among themselves and with the Shares in issue at the date of completion of the Placing.

LETTER FROM THE BOARD

Conditions Precedent : The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled (or being waived by the Placing Agent in writing, if applicable):

- (i) the Listing Committee of the Stock Exchange having granted the listing of, and the permission to deal in, the Rights Shares;
- (ii) the approval of the Rights Issue and the transactions contemplated thereunder including the Placing Agreement, by more than 50% of the Independent Shareholders at the EGM by way of poll;
- (iii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and
- (iv) the Placing Agreement not having been terminated in accordance with the provisions thereof.

The Placing Agent may, in its absolute discretion, waive the fulfillment of all or any part of the conditions precedent to the Placing Agreement (other than those set out in paragraphs (i), (ii) and (iv) above) by notice in writing to the Company.

Termination : The Placing Period shall end at 4:00 p.m. on Thursday, 22 October 2026 or any other date by mutual written agreement between the Placing Agent and the Company.

LETTER FROM THE BOARD

The engagement of the Placing Agent may also be terminated by the Placing Agent at any time prior to 4:00 p.m. on Friday, 23 October 2026 or any other date by mutual written agreement between the Placing Agent and the Company in case of force majeure resulting in the Company and the Placing Agent being unable to fulfill its duties and responsibilities under the engagement. Further, if during the course of the engagement it has come to the Placing Agent's knowledge that there is any material adverse change in the business and operational environment in the Company which, in the reasonable opinion of the Placing Agent, may make it inadvisable to continue the engagement, the Placing Agent shall have the right to terminate the engagement by written notice to the Company with immediate effect.

Placing Completion : Completion is expected to take place within nine Business Days after publication of an announcement by the Company of the number of the Unsubscribed Rights Shares and NQS Unsold Rights Shares under the Compensatory Arrangements and upon fulfilment or waiver (as the case may be) of the conditions precedent to the Placing Agreement or such other date as the Company and the Placing Agent may agree in writing.

The Company shall use its best endeavours to procure the fulfilment of such conditions precedent to the Placing Agreement by the Placing Long Stop Date. If any of the conditions precedent to the Placing Agreement have not been fulfilled by the Placing Long Stop Date or become incapable of being fulfilled (subject to the Placing Agent not exercising its rights to waive or extend the time for fulfilment of such conditions), then the Placing will lapse and all rights, obligations and liabilities of the Company and the Placing Agent in relation to the Placing shall cease and determine, save in respect of any accrued rights or obligations under the Placing Agreement or antecedent breach thereof.

Public Float : The Placing Agent shall ensure that the minimum public float requirement under the Listing Rules be fulfilled by the Company upon completion of the Rights Issue.

LETTER FROM THE BOARD

The engagement between the Company and the Placing Agent in respect of the Placing Shares (including the commission and expenses payable) was determined after arm's length negotiation between the Placing Agent and the Company and is on normal commercial terms with reference to the existing financial position of the Group, the size of the Rights Issue, and the current and expected market conditions. The Board considers that the terms of Placing Agreement in respect of the Placing Shares (including the commission and expenses payable) are on normal commercial terms.

As explained above, the Unsubscribed Rights Shares and NQS Unsold Rights Shares will be placed by the Placing Agent to Independent Third Parties on a best effort basis for the benefits of the No Action Shareholders and Non-Qualifying Shareholders. If all or any of the Unsubscribed Rights Shares and NQS Unsold Rights Shares are successfully placed, any premium over the Subscription Price will be distributed to the relevant No Action Shareholders and Non-Qualifying Shareholders on a pro-rata basis.

The Board considered that the Compensatory Arrangements are fair and reasonable and provide adequate safeguard to protect the interests of the Company's minority Shareholders since the Compensatory Arrangements would provide (i) a distribution channel of the Placing Shares to the Company; (ii) an additional channel of participation in the Rights Issue for the Qualifying Shareholders and the Non-Qualifying Shareholders; and (iii) a compensatory mechanism for the No Action Shareholders and the Non-Qualifying Shareholders.

Share certificates and refund cheques for the Rights Issue

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully-paid Rights Shares are expected to be posted on or before Friday, 30 October 2026 to those entitled thereto at their registered addresses by ordinary post at their own risk. If the Rights Issue does not become unconditional, refund cheques without interest are expected to be posted on or before Friday, 30 October 2026 by ordinary post to the respective applicants, at their own risk, to their registered addresses.

Odd lot arrangements

In order to facilitate the trading of odd lots (if any) of the Shares, a designated broker will be appointed to stand in the market to match the purchase and sale of odd lots of the Shares at the relevant market price, on a best effort basis. Shareholders should note that matching of the sale and purchase of odd lots of the Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lots arrangement is recommended to consult his/her/its own professional advisers. Further details in respect of the odd lots trading arrangement will be set out in the Prospectus.

LETTER FROM THE BOARD

Application for listing of the Rights Shares

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

Rights shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND/OR THE NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the paragraph headed “Proposed Rights Issue – Conditions of the Rights Issue” in this circular.

The Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the paragraph headed “Proposed Rights Issue – Conditions of the Rights Issue” in this circular.

Shareholders and potential investors of the Company should note that each of the Rights Issue and the Placing is subject to the fulfilment of certain conditions. If any of the conditions of the Rights Issue and/or the Placing are not fulfilled, the Rights Issue and/or the Placing will not proceed.

LETTER FROM THE BOARD

Subject to the fulfilment of conditions, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Rights Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is listed under Chapter 21 of the Listing Rules. The Group is principally engaged in investment in listed and unlisted companies mainly in Hong Kong, the PRC and the USA.

As disclosed in the annual report of the Company for the year ended 31 December 2025, the Group's cash and bank balances (including cash balance held in securities accounts) as at 31 December 2025 amounted to approximately HK\$10.0 million. The Directors consider that the cash position on hand will not be sufficient for the Company to capture suitable investment opportunities as they arise in the near future, hence the Rights Issue is being undertaken with a view to strengthening the capital base of the Company and providing it with readily available funds for capturing suitable investment opportunities in a timely fashion to provide investment returns to the Company and Shareholders as well as additional financial resources to support its long-term business strategy and investment objectives.

LETTER FROM THE BOARD

Owing to the business nature of the Group, being an investment company, the Group requires extensive cash to grow. Unlike other companies with regular cash revenues from operations, investments of investment companies under Chapter 21 of the Listing Rules do not necessarily generate sufficient cash for its operations and its cash position is largely dependent on the market conditions and its investment strategies. The Group's revenues mainly comprise of amounts received and receivable on investments, net profit/loss on financial assets at fair value through profit or loss, dividend income and interest income. As mentioned above, the Group has recorded a thin cash position of approximately HK\$10.0 million as at 31 December 2025. Should there be any change in the market value or fair value of the investments or the investment conditions becomes aversive, there is a risk that the Group may not generate sufficient cash for its investment activities. With the view of the eminent performance of the stock markets of Hong Kong and the United States since year 2025 (Hang Seng Index increased from 20,060 points as at 31 December 2024 to 25,776 points as at 30 April 2026 and Dow Jones Industrial Average increased from 42,544 points as at 31 December 2024 to 49,652 points as at 30 April 2026) and taking into account the thin cash position of the Group of approximately HK\$10.0 million as at 31 December 2025, the Directors consider that the cash position on hand will not be sufficient for the Group to capture suitable investment opportunities as they arise in the near future. In summary, the Group, being an investment company by nature, requires readily available funds for capturing suitable investment opportunities in a timely fashion to provide investment returns to the Group and Shareholders.

As such, the Board considers that equity financing by way of the Rights Issue represents an opportunity for the Company to increase its liquidity, strengthen its capital base and enhance its financial position by reserving cash proceeds from the Rights Issue for future investment opportunities as they arise.

The Company has also considered other financing alternatives which include debt financing and placing of new Shares or open offer and believe that the Rights Issue is the most efficient way in terms of time and costs for the Company. The Board considers it is prudent to finance the Company's long-term growth by long term financing, preferably in the form of equity which will not increase the Company's finance costs and liquidity risk. For placing of new Shares, it would dilute the shareholding of the existing Shareholders while the Rights Issue will allow the Qualifying Shareholders to maintain their respective shareholdings in the Company on a pro rata basis. As for open offer, while it is similar to a rights issue, it does not allow free trading of rights entitlements in the open market. In view of the above, the Company considers that the Rights Issue is an appropriate means to raise fund. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Company. Hence, the Board considers raising funds by way of Rights Issue is more attractive in the current market condition than an open offer, and thus, in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

The gross proceeds from the Rights Issue will be approximately HK\$74.5 million. The estimated net proceeds from the Rights Issue after deducting all necessary expenses will be approximately HK\$73.1 million, assuming no material fluctuations in the stock market, the Company intended to apply (i) approximately HK\$32.0 million for the investment in listed securities in Hong Kong, the PRC and the United States of America by 31 March 2028; (ii) approximately HK\$35.0 million for the investment in listed and/or unlisted debt securities issued by corporates in Hong Kong and the United States of America by 31 March 2028; and (iii) the remaining of approximately HK\$6.1 million for general working capital needs (i.e. audit fee, directors' fee, salaries, investment manager's fee, rental expenses and printing expenses) of the Group by 31 March 2028. If the Rights Shares are not fully subscribed and/or the actual Rights Issue related expenses are different from the expected amount of approximately HK\$1.4 million, the Group will increase or reduce the proposed size of investments in listed securities, unlisted debt securities and the working capital needs proportionally. The proposed investments are in line with the investment objectives of the Company, which are detailed in Appendix IV of this circular.

As at the Latest Practicable Date, the Group has not identified any specific investment targets and is not currently in negotiations for any possible investments.

As at the Latest Practicable Date, save for the Rights Issue, the Company does not have any other immediate plan or is not contemplating to have further fund raising for at least the next 12 months for financing its existing investments or any other new investments.

EQUITY FUNDRAISING ACTIVITIES IN THE PAST 12 MONTHS FROM THE LATEST PRACTICABLE DATE

The Company has not conducted any fund-raising activities involving issue of its securities in the past 12 months immediately preceding the Latest Practicable Date.

TAXATION

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

LETTER FROM THE BOARD

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon completion of the Rights Issue assuming full acceptance by all Qualifying Shareholders under the Rights Issue; (iii) immediately upon completion of the Rights Issue assuming (a) no subscription by the Qualifying Shareholders; and (b) all the Placing Shares are placed to Independent Third Parties under the Placing; and (iv) immediately upon completion of the Rights Issue assuming (a) no subscription by the Qualifying Shareholders; and (b) no Placing Shares are placed to Independent Third Parties under the Placing:

Shareholder	As at the Latest Practicable Date		Immediately upon completion of the Rights Issue assuming full acceptance by all Qualifying Shareholders under Rights Issue		Immediately upon completion of the Rights Issue assuming (a) no subscription by the Qualifying Shareholders; and (b) all the Placing Shares are placed to Independent Third Parties under the Placing		Immediately upon completion of the Rights Issue assuming (a) no subscription by the Qualifying Shareholders; and (b) no Placing Shares are placed to Independent Third Parties under the Placing	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
CHUNG Fai Chun (<i>Director</i>)	750,000	0.21%	1,875,000	0.21%	750,000	0.08%	750,000	0.21%
Public Shareholders	354,068,016	99.79%	885,170,040	99.79%	354,068,016	39.92%	354,068,016	99.79%
Placees	–	0.00%	–	0.00%	532,227,024	60.00%	–	0.00%
	<u>354,818,016</u>	<u>100.00%</u>	<u>887,045,040</u>	<u>100.00%</u>	<u>887,045,040</u>	<u>100.00%</u>	<u>354,818,016</u>	<u>100.00%</u>

Note: The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

LISTING RULES IMPLICATIONS

In accordance with Rule 7.19A(1) and Rule 7.27A(1) of the Listing Rules, as the Rights Issue will increase the total number of issued Shares of the Company by more than 50% within 12 months period immediately preceding the Latest Practicable Date, the Rights Issue is conditional upon the minority Shareholders' approval at the EGM, and any controlling shareholders of the Company and their associates, or where there are no controlling shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) in relation to the Rights Issue at the EGM.

As at the Latest Practicable Date, the Company has no controlling shareholder as defined under the Listing Rules and save as Ms. CHUNG Fai Chun, who is an independent non-executive Director and holds 750,000 Shares, none of the Directors and their respective associates is interested in any Shares. Therefore, no Shareholder is required to abstain from voting in favour of the proposed resolutions to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM.

LETTER FROM THE BOARD

The Rights Issue will not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors has been established to provide recommendations to the Independent Shareholders in connection with the Rights Issue. Vinco Financial has been appointed with the approval of the Independent Board Committee as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Rights Issue, and as to voting action therefor.

GENERAL

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the Rights Issue. For the purpose of determining the Shareholders' entitlements to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 31 August 2026 to Thursday, 3 September 2026 (both days inclusive).

In order to qualify for attendance and voting at the EGM, all transfers of Shares (together with the relevant share certificates and instruments of transfer) must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by 4:30 p.m. on Friday, 28 August 2026. A notice convening the EGM to be held at Portion 2, 12/F., The Center, 99 Queen's Road Central, Central, Hong Kong on Thursday, 3 September 2026 at 11:30 a.m. is set out on pages EGM-1 to EGM-4 of this circular. Whether you are able to attend the EGM or not, you are requested to complete the enclosed proxy form in accordance with the instructions printed on it and return the completed proxy form to the Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event so that it is received at least 48 hours before the time appointed (i.e. Tuesday, 1 September 2026 at 11:30 a.m.) for the EGM or adjourned meeting (as the case may be). Submission of a proxy form shall not preclude you from attending the EGM (or any adjournment of such meeting) and voting in person should you so wish.

DESPATCH OF PROSPECTUS DOCUMENTS

Subject to the fulfilment of the conditions of the Rights Issue, the Prospectus Documents containing, among other matters, details of the Rights Issue, will be made available and/or despatched to the Qualifying Shareholders on or before Wednesday, 16 September 2026. The Company will despatch the Prospectus only (without the PAL(s)) will be made available and/or despatched to the Non-Qualifying Shareholders (if any) for their information purpose only to the extent permitted under the relevant laws and regulations and reasonably practicable.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 9 September 2026 to Tuesday, 15 September 2026 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

THE EGM

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the necessary resolution(s), among other things, in respect of the Rights Issue. As at the Latest Practicable Date, the Company has no controlling shareholder as defined under the Listing Rules and save as Ms. CHUNG Fai Chun, who is an independent non-executive Director and holds 750,000 Shares, none of the Directors, the chief executive of the Company and their respective associates is interested in any Shares. Therefore, no Shareholder is required to abstain from voting in favour of the proposed resolution to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM.

A notice convening the EGM to be held at Portion 2, 12/F., The Center, 99 Queen's Road Central, Central, Hong Kong on Thursday, 3 September 2026 at 11:30 a.m. is set out on pages EGM-1 to EGM-4 of this circular. Whether you are able to attend the EGM or not, you are requested to complete the enclosed proxy form in accordance with the instructions printed on it and return the completed proxy form to the Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event so that it is received at least 48 hours before the time appointed (i.e. Tuesday, 1 September 2026 at 11:30 a.m.) for the EGM or adjourned meeting (as the case may be). Submission of a proxy form shall not preclude you from attending the EGM (or any adjournment of such meeting) and voting in person should you so wish.

VOTING BY POLL

All the resolutions set out in the notice of the EGM would be decided by poll in accordance with Rule 13.39(4) of the Listing Rules and the Articles of Association. On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by a proxy shall have one vote for every fully paid Share held. A Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy who is entitled to more than one vote need not use all his/her/its votes or cast all his/her/its votes in the same way. After the conclusion of the EGM, the poll results will be published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.hdca913.com.

LETTER FROM THE BOARD

STATEMENT OF RESPONSIBILITY

This circular, for which the Directors and directors of the Investment Manager collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors and directors of the Investment Manager, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

RECOMMENDATION

The Independent Board Committee, which comprises all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the terms of the Rights Issue and the Placing Agreement, and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole and to make recommendations to the Independent Shareholders on how to vote at the EGM on the relevant resolutions. Vinco Financial has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. Your attention is drawn to the letter from the Independent Board Committee set out on pages 33 to 34 of this circular which contains its recommendation to the Independent Shareholders in relation to the Rights Issue, and the letter from Vinco Financial set out on pages 35 to 60 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders.

The Directors (including the independent non-executive Directors whose views are expressed in the letter from the Independent Board Committee) consider that the terms of the Rights Issue and the Placing Agreement, and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors whose views are expressed in the letter from the Independent Board Committee) recommend the Shareholders and the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in Appendices I to IV to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
For and on behalf of the Board
SHUM Kit Lan Anita
Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



HARBOUR DIGITAL

Harbour Digital Asset Capital Limited

港灣數字產業資本有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 913)

13 August 2026

To the Independent Shareholders

Dear Sir or Madam,

**PROPOSED RIGHTS ISSUE ON THE BASIS OF
THREE (3) RIGHTS SHARES FOR
EVERY TWO (2) SHARES
HELD ON THE RECORD DATE**

We refer to the circular of the Company dated 13 August 2026 (the “**Circular**”) of which this letter forms part. Unless the context specifies otherwise, capitalised terms used herein have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders as to whether the terms of the Rights Issue and the Placing Agreement, and the transactions contemplated thereunder are on normal commercial terms, in the interests of the Company and the Shareholders as a whole, and the terms of which are fair and reasonable insofar as the Independent Shareholders are concerned.

Vinco Financial has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this respect. Having taken into account the terms of the Rights Issue and the Placing Agreement, and the advice from the Independent Financial Adviser as set out on pages 35 to 60 of this circular, we are of the opinion that the terms of the Rights Issue and the Placing Agreement, and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable so far as the Company and the Independent Shareholders

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Rights Issue, the Placing Agreement, and the transactions contemplated thereunder.

Yours faithfully
For and on behalf of
The Independent Board Committee

HUNG Cho Sing

CHUNG Fai Chun

YU Tat Chi Michael

Independent non-executive Directors

Harbour Digital Asset Capital Limited

LETTER FROM VINCO FINANCIAL

The following is the text of a letter of advice from Vinco Financial setting out its advice to the Independent Board Committee and the Independent Shareholders prepared in respect of the terms of the Rights Issue and the Placing Agreement, and the transactions contemplated thereunder which has been prepared for the purpose of incorporation in this circular:



13 August 2026

*To the Independent Board Committee and the Independent Shareholders of
Harbour Digital Asset Capital Limited*

Dear Sirs,

PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in respect of the terms of the Rights Issue and the transactions contemplated thereunder, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 13 August 2026 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used herein shall have the same meanings as defined in the Circular unless the context requires otherwise.

The Board proposes to conduct the Rights Issue on the basis of three (3) Rights Shares for every two (2) Shares held by the Qualifying Shareholders as at the Record Date at the Subscription Price of HK\$0.140 per Rights Share, to raise up to approximately HK\$74.5 million before expenses by way of issuing up to 532,227,024 Rights Shares (assuming full subscription under the Rights Issue and there is no change in the total number of issued Shares up to and including the Record Date).

The Company will provisionally allot to the Qualifying Shareholders three (3) Rights Shares in nil-paid form for every two (2) Shares in issue and held on the Record Date. The Rights Issue will not be available to the Non-Qualifying Shareholders.

There will be no excess application arrangements in relation to the Rights Issue. Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. There are no statutory requirements regarding the minimum subscription levels in respect

LETTER FROM VINCO FINANCIAL

of the Rights Issue and there is no minimum amount to be raised under the Rights Issue. In the event of an undersubscription of the Rights Issue, the size of the Rights Issue will be reduced accordingly.

Assuming there will be no change in the total number of issued Shares from the Last Trading Day up to and including the Record Date and full subscription of the Rights Issue, the maximum net proceeds from the Rights Issue (after deducting the related expenses) are expected to be approximately HK\$73.1 million. The net price per Rights Share after deducting the related expenses of the Rights Issue will be approximately HK\$0.137.

Assuming no material fluctuations in the stock market, the Company intended to apply (i) approximately HK\$32.0 million for the investment in listed securities in Hong Kong, the PRC and the United States of America by 31 March 2028; (ii) approximately HK\$35.0 million for the investment in listed and/or unlisted debt securities issued by corporates in Hong Kong and the United States of America by 31 March 2028; and (iii) the remaining approximately HK\$6.1 million for general working capital needs (i.e. audit fee, directors' fee, salaries, investment manager's fee, rental expenses and printing expenses) of the Group by 31 March 2028.

LISTING RULES IMPLICATIONS

In accordance with Rule 7.19A(1) and Rule 7.27A(1) of the Listing Rules, as the Rights Issue will increase the total number of issued Shares of the Company by more than 50% within 12 months period immediately preceding the Latest Practicable Date, the Rights Issue is conditional upon the minority Shareholders' approval at the EGM, and any controlling shareholders of the Company and their associates, or where there are no controlling shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) in relation to the Rights Issue at the EGM.

As at the Latest Practicable Date, the Company has no controlling shareholder as defined under the Listing Rules and save as Ms. CHUNG Fai Chun, who is an independent non-executive Director and holds 750,000 Shares, none of the Directors and their respective associates is interested in any Shares. Therefore, no Shareholder is required to abstain from voting in favour of the proposed resolutions to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM.

The Rights Issue will not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The Company has not conducted any fund-raising activities involving issue of its securities in the past 12 months immediately preceding the Last Trading Day.

LETTER FROM VINCO FINANCIAL

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Hung Cho Sing, Ms. Chung Fai Chun and Mr. Yu Tat Chi Michael, has been established to advise the Independent Shareholders in connection with the Rights Issue and to advise the Independent Shareholders on how to vote at the EGM, taking into account the recommendations of the Independent Financial Adviser.

We, Vinco Financial Limited, have been appointed and approved by the Independent Board Committee, to advise the Independent Board Committee and the Independent Shareholders on the Rights Issue. In our capacity as the Independent Financial Adviser, our role is to give an independent opinion to the Independent Board Committee as to whether the terms of the Rights Issue and the Placing Agreement, and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, are in the interests of the Company and the Shareholders as a whole and whether to vote in favour of the resolution(s) to be proposed at the EGM to approve the Rights Issue so far as the Independent Shareholders are concerned.

OUR INDEPENDENCE

As at the Latest Practicable Date, we are not connected with the Directors, chief executive and substantial shareholders of the Company or any of their respective subsidiaries or their respective associates and, as at the Latest Practicable Date, did not have any shareholding, directly or indirectly, in any of their respective subsidiaries or their respective associates and did not have any shareholding, directly or indirectly, in any member of the Group or any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group. We are not aware of any relationships or interests between us and the Company or any other parties that could reasonably be regarded as hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the proposed Rights Issue of the Company. Apart from normal professional fees payable to us in connection with this appointment, no arrangements exist whereby we had received or will receive any fee or benefit from the Group and its associates. During the past two years, there was no engagement between the Group and us. Also, we are not aware of the existence of or change in any circumstances that could affect our independence. Accordingly, we consider that we are eligible to give independent advice on the proposed Rights Issue and the transactions contemplated thereunder of the Company.

BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied upon the accuracy of the information and representations contained in the Circular and information provided to us by the Company, the Directors and the management of the Company. We have assumed that all statements, information and representations made or referred to in the Circular and all information and representations which have been provided by the Company, the Directors and the management of

LETTER FROM VINCO FINANCIAL

the Company, for which they are solely and wholly responsible, were true at the time they were made and continue to be true as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any such statement contained in the Circular misleading. The Shareholders will be notified of material changes as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date and up to and including the date of the EGM. We have no reason to believe that any information and representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any omission of any material facts that would render the information provided and the representations made to us untrue, inaccurate or misleading. We have not, however, conducted any independent in-depth investigation into the business affairs, financial position or future prospects of the Group, nor have we carried out any independent verification of the information provided by the Directors and the management of the Company.

The Directors and directors of the Investment Manager have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries that, to the best of their knowledge and belief, there are no omission of other facts that would make any statements in the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter.

We have not considered the taxation and regulatory implications on the Group or the Independent Shareholders as a result of the Rights Issue since these depend on their individual circumstances, and if in any doubt, should consult their own professional advisers. We will not accept responsibility for any tax effect on or liability of any person resulting from his or her acceptance or non-acceptance of the Rights Issue.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. In rendering our opinion in the Circular, we have researched, analyzed and relied on (i) the annual report of the Company for each of the year ended 31 December 2024 (the “**2024 Annual Report**”) and the year ended 31 December 2025 (the “**2025 Annual Report**”), respectively; (ii) the Placing Agreement; and (iii) market information obtained from the website of the Stock Exchange. Based on the foregoing, we confirm that we have taken all reasonable steps, which are applicable to the Rights Issue, as referred to in Rule 13.80 of the Listing Rules (including the notes thereto).

This letter is issued for the information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Rights Issue and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

LETTER FROM VINCO FINANCIAL

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue, we have taken into account the following principal factors and reasons:

1. Business and financial information of the Group

Information of the Group

The Company is listed under Chapter 21 of the Listing Rules. The Group is principally engaged in investment in listed and unlisted companies mainly in Hong Kong, the PRC and the USA.

Business and financial performance of the Group

Set out below is a summary of the audited consolidated financial information of the Group for each of the two years ended 31 December 2024 (“FY2024”) and 31 December 2025 (“FY2025”) which were extracted from the 2024 Annual Report and 2025 Annual Report respectively:

Table 1: Historical financial information of the Group

	For the year ended 31 December		
	2025	2024	2023
	HK\$'000	HK\$'000	HK\$'000
	(audited)	(audited)	(audited)
Revenue	1,819	1,226	1,443
Other income	3,668	1,903	1,959
Profit/(Loss) and total income/ (expense) for the year attributable to equity holders of the Company	147,440	(16,848)	(14,783)
	As at 31 December		
	2025	2024	2023
	HK\$'000	HK\$'000	HK\$'000
	(audited)	(audited)	(audited)
Bank balances and cash	9,968	11,351	1,978
Total assets	322,637	172,857	171,145
Total liabilities	<u>3,180</u>	<u>840</u>	<u>841</u>
Net assets	319,457	172,017	170,304

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FY2025 versus FY2024

With reference to 2025 Annual Report, the Group recorded revenue of approximately HK\$1.8 million for FY2025, representing an increase of approximately 48.37% as compared with approximately HK\$1.2 million for FY2024. The increase in revenue was mainly attributable to the interest income from debt investment. The Group's audited consolidated net profit attributable to shareholders was approximately HK\$147.4 million for FY2025 as compared with a loss of approximately HK\$16.8 million for FY2024. The turnaround from loss to profit was primarily attributable to the net gain on listed equity investments at fair value through profit or loss ("FVPL").

The Group's audited total assets and total liabilities as at 31 December 2025 amounted to approximately HK\$322.6 million and HK\$3.2 million respectively. The Group's audited net asset value amounted to approximately HK\$319.5 million as at 31 December 2025, representing an increase of approximately 85.71% as compared to that of approximately HK\$172.0 million as at 31 December 2024. Such increase in net asset value was mainly attributable to the increase in equity investments at FVPL. The gearing ratio of the Group, calculated based on the Group's total liabilities divided by its total assets, was approximately 0.99% as at 31 December 2025 which was higher than that of the Group's gearing ratio of 0.49% as at 31 December 2024. The increase in the gearing ratio was mainly attributable to a proportionately greater increase in total liabilities relative to total assets.

FY2024 versus FY2023

With reference to 2024 Annual Report, the Group recorded revenue of approximately HK\$1.2 million for FY2024, representing a decrease of approximately 15.04% as compared with approximately HK\$1.4 million for FY2023. The decline in revenue primarily stemmed from the decrease in dividend income from listed equity investments at FVPL. The Group's audited consolidated net loss attributable to shareholders was approximately HK\$16.8 million for FY2024, representing an increase in loss of approximately 13.97% as compared with approximately HK\$14.8 million for FY2023. The increase in loss was mainly attributable to the net loss on listed equity investments at FVPL and impairment of financial assets.

The Group's audited total assets and total liabilities as at 31 December 2024 amounted to approximately HK\$172.9 million and HK\$0.8 million respectively. The Group's audited net asset value amounted to approximately HK\$172.0 million as at 31 December 2024, representing an increase of approximately 1.01% as compared to that of approximately HK\$170.3 million as at 31 December 2023. Such increase in net asset value was mainly attributable to the increase in bank balances and cash. The

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gearing ratio of the Group, calculated based on the Group's total liabilities divided by its total assets, was approximately 0.49% as at 31 December 2024, which remained unchanged at approximately 0.49% as at 31 December 2023.

2. Reasons for the Rights Issue and use of proceeds

As set out in the Board Letter, the Company is listed under Chapter 21 of the Listing Rules. The Group is principally engaged in investment in listed and unlisted companies mainly in Hong Kong, the PRC and the USA.

As disclosed in 2025 Annual Report, we noted that the Group's cash and bank balances (including cash balance held in securities accounts) as at 31 December 2025 amounted to approximately HK\$10.0 million. Given the Group's nature as an investment company, it requires extensive cash to grow. Unlike other companies with regular cash revenues from operations, investments of investment companies under Chapter 21 of the Listing Rules do not necessarily generate sufficient cash for its operations and its cash position is largely dependent on the market conditions and its investment strategies. With reference to the financial information reviewed, we noted the Group's revenues mainly comprise of amounts received and receivable on investments, net profit/loss on financial assets at fair value through profit or loss, dividend income and interest income. As mentioned above, the Group has recorded a thin cash position of approximately HK\$10.0 million as at 31 December 2025. Should there be any change in the market value or fair value of the investments or the investment conditions becomes aversive, there is a risk that the Group may not generate sufficient cash for its investment activities. As such, we are of the view that the cash position on hand will not be sufficient for the Company to capture suitable investment opportunities as they arise in the near future, hence the Rights Issue is being undertaken with a view to strengthening the capital base of the Company and providing it with readily available funds for capturing suitable investment opportunities in a timely fashion to provide investment returns to the Company and Shareholders as well as additional financial resources to support its long-term business strategy and investment objectives.

In assessing the necessity of raising additional funds, we have also considered the broader investment environment relevant to the Group's focus markets. We further noted that major stock indices have shown notable upward trends since 2025 in Hong Kong and the USA, reflecting improving market sentiment and potential opportunities for capital appreciation. In particular, based on publicly available information, we understand that the Hang Seng Index increased from approximately 20,060 points as at 31 December 2024 to approximately 25,776 points as at 30 April 2026, while the Dow Jones Industrial Average increased from approximately 42,544 points as at 31 December 2024 to approximately 49,652 points as at 30 April 2026. In view of the eminent performance of the stock markets of Hong Kong and the USA since year 2025 and taking into account the thin cash position of the Group of approximately HK\$10.0 million as at 31 December 2025, we concur with

LETTER FROM VINCO FINANCIAL

the view of the Directors that the cash position on hand will not be sufficient for the Group to capture suitable investment opportunities as they arise in the near future. In summary, the Group, being an investment company by nature, requires readily available funds for capturing suitable investment opportunities in a timely fashion to provide investment returns to the Group and Shareholders.

As such, the Board considers that equity financing by way of the Rights Issue represents an opportunity for the Company to increase its liquidity, strengthen its capital base and enhance its financial position by reserving cash proceeds from the Rights Issue for future investment opportunities as they arise.

Based on our discussion with the management of the Company, the Company has also considered other financing alternatives which include debt financing and placing of new Shares or open offer and believe that the Rights Issue is the most efficient way in terms of time and costs for the Company. The Board considers it is prudent to finance the Company's long-term growth by long term financing, preferably in the form of equity which will not increase the Company's finance costs and liquidity risk. For placing of new Shares, it would dilute the shareholding of the existing Shareholders while the Rights Issue will allow the Qualifying Shareholders to maintain their respective shareholdings in the Company on a pro rata basis. As for open offer, while it is similar to a rights issue, it does not allow free trading of rights entitlements in the open market. In view of the above, the Company considers that the Rights Issue is an appropriate means to raise funds. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Company. Hence, the Board considers raising funds by way of Rights Issue is more attractive in the current market conditions than an open offer, and thus, in the interests of the Company and the Shareholders as a whole.

The gross proceeds from the Rights Issue will be approximately HK\$74.5 million. The estimated net proceeds from the Rights Issue after deducting all necessary expenses will be approximately HK\$73.1 million, assuming no material fluctuations in the stock market, the Company intended to apply (i) approximately HK\$32.0 million for the investment in listed securities in Hong Kong, the PRC and the United States of America by 31 March 2028; (ii) approximately HK\$35.0 million for the investment in listed and/or unlisted debt securities issued by corporates in Hong Kong and the United States of America by 31 March 2028; and (iii) the remaining approximately HK\$6.1 million for general working capital needs (i.e. audit fee, directors' fee, salaries, investment manager's fee, rental expenses and printing expenses) of the Group by 31 March 2028. If the Rights Shares are not fully subscribed and/or the actual Rights Issue related expenses are different from the expected amount of approximately HK\$1.4 million, the Group will increase or reduce the proposed size of investments in listed securities, unlisted debt securities and the working capital needs proportionally. The proposed investments are in line with the investment objectives of the Company.

LETTER FROM VINCO FINANCIAL

In assessing the reasonableness of the proposed use of proceeds, we have reviewed (i) the Group's investment prospects stated in the 2025 Annual Report; and (ii) the macroeconomic outlook of the key investment markets in Hong Kong, the PRC and the USA based on publicly available sources.

According to the International Monetary Fund (“**IMF**”) Press Release No. 26/102, “IMF Executive Board Concludes 2026 Article IV Consultation with the United States”, issued on 2 April 2026, we noted that the IMF projected USA gross domestic product (“**GDP**”) growth would increase to approximately 2.4% in 2026 from approximately 2.0% in 2025. Similarly, the USA Federal Reserve's (the “**Fed**”) Summary of Economic Projections, released on 18 March 2026, indicated that GDP growth is expected to remain in the range of approximately 2.2% to 2.5% in 2026, with inflation gradually moderating towards the Fed's long-term target of approximately 2%. We further note from market research referencing Fed's communications that inflation, while easing from prior peaks, is expected to remain slightly above the 2% target in the near term and the labour market remains relatively resilient, with unemployment expected to stay near historical norms. In addition, according to outlooks published by global asset managers such as Goldman Sachs and Vanguard, the USA economy is expected to demonstrate relative resilience and outperform global growth; and USA equities are supported by earnings growth, artificial intelligence-related investment and sustained domestic economic momentum. Based on the above, we consider that the USA continues to provide a favourable environment for investments in both equity and debt instruments, which is consistent with the Company's proposed allocation of proceeds.

In addition, we also noted that the PRC government has set its GDP growth target for 2026 at approximately 4.5% to 5%, as stated in the Government Work Report released during the National People's Congress. Such target reflected a moderate but stable growth trajectory, and an emphasis on high-quality growth and structural reforms, including transition towards advanced manufacturing, digital economy and consumption-driven growth. We further note that 2026 represents the initial phase of the PRC's new five-year policy cycle, during which the government has indicated stronger coordination between fiscal and monetary policies; continued policy support to stabilise economic growth; and structural transition away from traditional growth drivers. Based on the above publicly available government policy disclosures, we consider that the PRC market continues to offer investment opportunities across equity markets, albeit with structural transformation and policy-driven dynamics.

Based on our review of (i) the Group's business model; (ii) the Hong Kong and the USA equity market; and (iii) the macroeconomic and market outlook in both the USA and the PRC, we are of the view that the proposed use of proceeds is fair and reasonable so far as the Independent Shareholders are concerned.

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As at the Latest Practicable Date, the Group has not identified any specific investment targets and is not currently in negotiations for any possible investments.

As at the Latest Practicable Date, save for the Rights Issue, the Company does not have any other immediate plan or is not contemplating to have further fundraising for at least the next 12 months for financing its existing investments or any other new investments.

Based on the above, we concur with the view of the Board that raising capital through the Rights Issue is in the interests of the Company and the Shareholders as a whole. In addition, based on publicly available market information, we understand that where the Unsubscribed Rights Shares and NQS Unsold Rights Shares are to be fully-underwritten, the underwriting commission charged by underwriters is generally much higher than the commission charged for placing on a best effort basis. To improve the cost effectiveness of the Rights Issue and having considered the capital needs of the Group, the terms of the Rights Issue and the Subscription Price, we consider that it is in the interests of the Company to proceed with the Rights Issue on a non-underwritten basis. However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholder(s), if any, should note that their shareholdings will be diluted.

3. Principal terms of the Rights Issue

The Board proposes to conduct the Rights Issue on the basis of three (3) Rights Shares for every two (2) Shares held as at the Record Date, details of which are summarised below:

Rights Issue statistics

Basis of the Rights Issue	:	Three (3) Rights Shares for every two (2) Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.140 per Rights Share
Net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	:	Approximately HK\$0.137 per Rights Share (on the basis that all the Rights Shares will be taken up)
Number of Shares in issue as at the Latest Practicable Date	:	354,818,016 Shares

LETTER FROM VINCO FINANCIAL

Number of Rights Shares (Shares to be issued pursuant to the Rights Issue)	:	532,227,024 Rights Shares (assuming there is no change in the number of Shares in issue on or before the Record Date) with an aggregate nominal value of HK\$532,227.02
Total number of Shares in issue upon completion of the Rights Issue	:	887,045,040 Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Gross proceeds from the Rights Issue	:	Approximately HK\$74.5 million before expenses (assuming no change in the number of Shares in issue on or before the Record Date)

The Company has no outstanding warrants, options or convertible securities in issue or other similar rights entitling holders thereof to convert into or exchange into or subscribe for new Shares as at the Latest Practicable Date.

Assuming no change in the number of Shares in issue on or before the Record Date, the aggregate 532,227,024 Rights Shares to be issued pursuant to the terms of the Rights Issue represent 150% of the total number of issued Shares and 60% of the total number of issued Shares as enlarged by the issue of the Rights Shares (assuming full acceptance by the Qualifying Shareholders).

Subscription Price

The Subscription Price is HK\$0.140 per Rights Share, which shall be payable in full by the Qualifying Shareholders upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 9.7% to the closing price of HK\$0.155 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 19.1% to the closing price of HK\$0.173 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 20.9% to the average closing price of HK\$0.1770 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;

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- (iv) a discount of approximately 22.2% to the average closing price of HK\$0.1800 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 21.3% to the average closing price of HK\$0.1778 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day;
- (vi) theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately 12.8%, based on the theoretical diluted price of HK\$0.1551 per Share to the benchmarked price of approximately HK\$0.1778 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price of HK\$0.173 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) the average closing price of HK\$0.1778 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day); and
- (vii) a discount of approximately 84.4% to the audited consolidated net asset value per Share of approximately HK\$0.90 (“**NAV per Share**”) based on the audited consolidated net asset value of the Company of approximately HK\$319.5 million as at 31 December 2025 and the total number of 354,818,016 Shares in issue.

As set out in the Board Letter, the Subscription Price was determined with reference to, among other things, (i) the market price of the Shares under the prevailing market conditions; (ii) the current business performance and financial position of the Group; and (iii) the reasons for and benefits of the proposed Rights Issue as discussed in the section head “Reasons for the Rights Issue and use of proceeds” in this letter, and the amount of funds the Company intends to raise under the Rights Issue.

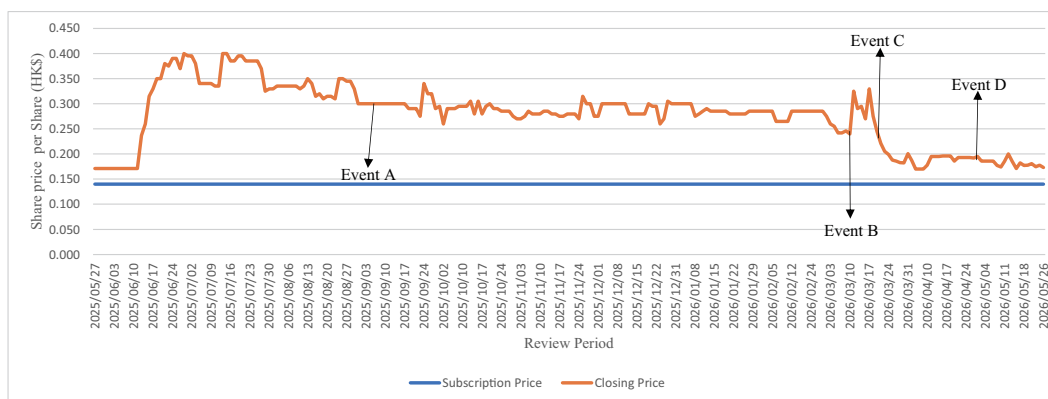
In order to assess the fairness and reasonableness of the Subscription Price, we have taken into account (i) the closing price per Share for the one year period up to and including the Last Trading Day prior to the Announcement (being a period of approximately one year prior to and including the Last Trading Day) (the “**Review Period**”), with a view to provide a meaningful comparison to the Subscription Price under the Rights Issue (the “**Closing Price**”); and (ii) the average daily trading volumes of the Shares for each of the months/periods during the Review Period.

We consider that the Review Period is adequate to illustrate the recent price movement of the Shares for conducting a reasonable comparison among the historical closing prices prior to the Announcement as (i) the one year period represents a reasonable period to reflect the performance of the closing price of the Shares in

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response to the prevailing market condition and operating condition; (ii) a shorter review period can only demonstrate the Share price performance in a limited and specific time which may be distorted by specific events; and (iii) it is commonly used for analysis purposes. Besides, such comparison is relevant for the assessment of the fairness and reasonableness of the Subscription Price, as the share price before the Announcement represents a fair market value of the Company, the Shareholders expected, while that after the Announcement, the value may have taken into account the potential upside of the Rights Issue which may distort the analysis. The chart below illustrates the Closing Price versus the Subscription Price of HK\$0.140 per Share:

Chart 1: Historical closing prices of the Shares during the Review Period



Source: The website of the Stock Exchange (<http://www.hkex.com.hk>)

Notes:

Event A – Publication of 2025 Interim Report on 9 September 2025

Event B – Publication of announcement regarding a positive profit alert on 10 March 2026

Event C – Publication of announcement regarding the annual results for FY2025 on 19 March 2026

Event D – Publication of 2025 Annual Report on 29 April 2026

During the Review Period, the Shares traded between a range of HK\$0.170 on (i) 2 April 2026; (ii) 8 April 2026; and (iii) 9 April 2026, and HK\$0.400 on (i) 27 June 2025; (ii) 14 July 2025 and (iii) 15 July 2025 with an average closing price per Share of approximately HK\$0.278. The Subscription Price represents (i) a discount of approximately 17.65% to the lowest closing price per Share (i.e. HK\$0.170); (ii) a discount of approximately 65.00% to the highest closing price per Share (i.e. HK\$0.400); and (iii) a discount of approximately 49.64% to the average closing price per Share (i.e. HK\$0.278) during the Review Period.

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As illustrated in the Chart 1 above, the closing price of the Shares exhibited volatility during the Review Period. The closing price consistently traded above the Subscription Price of HK\$0.140 since the commencement of the Review Period. At the beginning of the Review Period in late May 2025, the closing price was approximately HK\$0.171 and surged significantly in June 2025, reaching its highest level of approximately HK\$0.400 in late June 2025. Thereafter, the closing price remained at relatively high levels in early July 2025 before gradually moderating. From late July to August 2025, the closing price stabilised within a relatively narrow range of approximately HK\$0.310 to HK\$0.350.

During September 2025, the closing price showed a slight downward trend, fluctuating between approximately HK\$0.275 and HK\$0.340. This was followed by a relatively stable period from October to December 2025, during which the closing price generally traded within a range of approximately HK\$0.260 to HK\$0.315.

From January 2026 to February 2026, the closing price remained largely stable, hovering around the range of approximately HK\$0.265 to HK\$0.300 with limited volatility. In March 2026, the closing price experienced notable fluctuations, declining from approximately HK\$0.330 in mid-March to around HK\$0.182 by the end of March. We noted the Company published announcements regarding a positive profit alert and annual results for FY2025 on 10 March 2026 and 19 March 2026, respectively. The closing price showed short term upward movements around the time of these announcements, reaching approximately HK\$0.325 on 11 March 2026, and remained volatile thereafter before trending downward towards the end of March.

In April 2026, the closing price reached its lowest level of approximately HK\$0.170 in early April 2026, and subsequently rebounded to approximately HK\$0.196 by mid-April 2026. Thereafter, the closing price remained relatively stable. During May 2026 up to the Last Trading Day, the closing price fluctuated within a range of approximately HK\$0.171 to HK\$0.200 and closed at approximately HK\$0.173 on the Last Trading Day.

After reviewing the Company's announcements, we do not notice any specific reasons for the aforementioned movements of the closing price during the Review Period. As discussed with the management of the Company, they were not aware of any particular reason that contributed to the fluctuations in the closing price per Share during the Review Period aside from the aforementioned events.

Although the Subscription Price is at a discount to the average closing price per Share during the Review period, taking into consideration that (i) the Subscription Price falls below the aforesaid historical closing price per Share during the Review Period; (ii) the low liquidity of the Shares as discussed in sub-section headed "Liquidity of the Shares" below in this letter; (iii) the funding needs of the Group as

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discussed in the section headed “Reasons for the Rights Issue and use of proceeds” above in this letter; (iv) the Subscription Price is within the range in the comparable analysis as discussed in the sub-section headed “Comparison with other rights issue transactions” below in this letter which indicates it is a common market practice to set the subscription price at a discount to the prevailing market prices of the relevant shares to attract the shareholders to participate in the rights issue; and (v) the latest business performance and financial position as discussed in the sub-section headed “Business and financial information of the Group” above in this letter, we consider that the discount of the Subscription Price is fair and reasonable and the Rights Issue is in the interests of the Company and the Shareholders as a whole.

Liquidity of the Shares

The table below sets out the average daily trading volume of the Shares per month/ period and the respective percentages of the average daily trading volume as compared to the total number of issued Shares during the Review Period:

		Total trading volume of the Shares in the month/period	Number of trading days in the month/ period	Average daily volume of the Shares in the month/period	Percentage of average daily trading volume to total number of Shares (Note 2)
2025	May (Note 3)	22,500	4	5,625	0.0016%
	June	3,324,878	21	158,328	0.0446%
	July	1,118,500	22	50,841	0.0143%
	August	441,280	21	21,013	0.0059%
	September	1,389,000	22	63,136	0.0178%
	October	3,872,651	20	193,633	0.0546%
	November	755,495	20	37,775	0.0106%
	December	5,436,456	21	258,879	0.0730%
2026	January	586,697	21	27,938	0.0079%
	February	116,300	17	6,841	0.0019%
	March	19,033,565	22	865,162	0.2438%
	April	3,975,506	19	209,237	0.0590%
	May (Note 4)	3,014,250	16	188,391	0.0531%

Source: The website of Stock Exchange

Notes:

1. Average daily trading volume is calculated by dividing the total trading volume for the month/ period by the number of trading days in the respective month/period.
2. Calculated based on the total number of Shares in issue at the end of each month/period.

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3. Represents trading volume for the period from 27 May 2025, being one year prior to the Last Trading Day, to the 31 May 2025, both days inclusive.
4. Represents trading volume for the period from 1 May 2026 to 26 May 2026, the Last Trading Day, both days inclusive.

As illustrated in the above table, we noted that the trading volume of the Shares ranged from 5,625 to 865,162 Shares during the Review Period, representing approximately 0.0016% to 0.2438% of a total of 354,818,016 Shares in issue as at the respective month or period with an average on the percentage of average daily trading volume throughout the whole Review Period of approximately 0.0452% of the total number of issued Shares as at the respective month or period.

We noted the increase in trading volume in March 2026, with the average daily trading volume reaching approximately 865,162 Shares, representing the highest monthly level during the Review Period. Such increase in trading activity coincided with the publication of (i) a positive profit alert announcement on 10 March 2026 and (ii) the annual results announcement for FY2025 on 19 March 2026. The positive profit alert indicated that the Group was expected to record a turnaround from a net loss in FY2024 to a net profit for FY2025, primarily driven by a significant improvement in the performance of its listed equity investments, with an estimated net profit in the range of approximately HK\$135 million to HK\$165 million. Following the release of the above announcements, the trading volume of the Shares increased notably.

In this regard, we consider that the improvement in the Group's financial performance and the positive market sentiment generated by the aforesaid announcements may have attracted increased market attention and investor interest, thereby contributing to the surge in trading volume during March 2026. As discussed with the management of the Company, they were not aware of any particular reason that contributed to the increase in trading liquidity in March 2026 aside from the aforementioned events.

Based on the above results, we consider that the trading liquidity of the Shares during the Review Period was thin that the average daily trading volume of the Shares during the Review Period was below 1% of the total number of issued Shares, we consider that the Company is unlikely to be able to raise equity funds from third parties without a discount on the prevailing Share prices. In light of the above, we consider that conducting a fundraising exercise by way of Rights Issue with Subscription Price set at a discount to the closing price per Share as quoted on the Stock Exchange on the Last Trading Day is appropriate and reasonable as to promote the attractiveness of the Rights Issue.

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Comparison with other rights issue transactions

In order to assess the fairness and reasonableness of the Subscription Price, we exhaustively conducted a search of recent proposed rights issue transactions three months prior to the Last Trading Day (the “**Comparison Period**”) to understand the trend of the recent market practice. We consider that the Comparison Period is appropriate, fair and representative because (i) the comparables are considered for the purpose of taking a general reference for the recent market practice in relation to the rights issue exercise in the recent market conditions; and (ii) sufficient number of comparables were identified during the Comparison Period. Based on our research, we have identified an exhaustive list of 17 rights issue comparables (the “**Comparables**”) during the Comparison Period.

We noted that the business activities and the terms of the rights issue of the Comparables may not be directly comparable to the business activities carried out and the terms of the rights issue announced by the Group due to the differences in business activities and performances. Although the Comparables included rights issue on different basis of entitlement, and involved issuers which engaged in different business or with different financial performance and funding needs from the Company, we consider that the Comparables are suitable to serve as general reference for the purpose of an assessment on the Subscription Price, as (i) all of the Comparables and the Company are listed on the Stock Exchange; (ii) our analysis is mainly concerned with the comparison of subscription price to closing price, net asset value (“**NAV**”), maximum dilution on the shareholding and theoretical dilution effect; (iii) a three-month period for the selection of the Comparables has resulted in the generation of a reasonable sample size; and (iv) the Comparables were included without any artificial selection or filtering on our part. Since there are a sufficient number of Comparables under the selection criteria mentioned above, we are of the view that they represented a true and fair view and representative samples of the recent market trends for rights issue and are sufficient for assessing the fairness and reasonableness of the Rights Issue.

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Date of announcement	Company name	Stock code	Basis of entitlement	Maximum shareholding the shareholding (Note 2)	Premium/(discount) of the subscription price to the average closing price per share for the last five consecutive trading days immediately up to and including the last trading day and prior to announcement of rights issue			Premium/(discount) of subscription price per rights closing share on the last trading day prior to announcement of rights issue	Theoretical dilution effect (Note 3)	Excess Application (Note 5)	Placing commission (Note 6)	Minimum placing commission	Underwriting arrangement	Underwriting fee
					¥	¥	¥							
5 March 2026	Madison Holdings Group Limited	8057	3 for 2	60.00	(40.00)	(39.10)	(79.83)	(24.00)	No	No	2.00	No	Non-underwritten	N/A
6 March 2026	Kingland Group Holdings Limited	1751	1 for 3	25.00	0.00	(2.30)	2,157.10	(1.00)	No	No	3.00	250,000	Non-underwritten	N/A
9 March 2026	Hang Pin Living Technology Company Limited	1682	1 for 1	50.00	(27.97)	(27.72)	(22.73)	(13.98)	No	No	1.00	No	Non-underwritten	N/A
19 March 2026	i.century Holding Limited	8507	1 for 1	50.00	(47.37)	(45.05)	1.22	(23.68)	No	No	Refer to the column headed 'Minimum placing commission'	400,000	Non-underwritten	N/A
20 March 2026	WT Group Holdings Limited	8422	2 for 1	66.67	(9.91)	(10.39)	(64.79)	(6.58)	No	No	3.00	No	Non-underwritten	N/A
24 March 2026	Alco Holdings Limited	328	4 for 1	80.00	(20.30)	(24.20)	N/A	(21.00)	No	No	1.50	No	Non-underwritten	N/A
26 March 2026	Zhongshen Jianye Holding Limited	2503	2 for 1	66.67	(33.63)	(35.18)	(72.22)	(23.45)	No	No	0.50	No	Non-underwritten	N/A
27 March 2026	China Health Technology Group Holding Company Limited	1069	2 for 1	66.67	(20.63)	(19.35)	(54.79)	(13.76)	No	No	4.00	No	Non-underwritten	N/A
16 April 2026	Pa Shun International Holdings Limited	574	1 for 2	33.33	(72.88)	(69.04)	N/A	(24.29)	No	No	1.00	No	Non-underwritten	N/A
17 April 2026	Hong Wei (Asia) Holdings Company Limited	8191	4 for 1	80.00	(16.13)	(10.47)	(85.43)	(12.90)	No	No	1.00	No	Non-underwritten	N/A
21 April 2026	China Information Technology Development Limited	8178	1 for 2	33.33	(24.40)	(25.60)	(88.60)	(9.50)	No	No	1.00	No	Non-underwritten	N/A
27 April 2026	Tasty Concepts Holding Limited	8096	3 for 2	60.00	(16.70)	(16.70)	66.70	(10.00)	No	No	3.00	No	Non-underwritten	N/A
29 April 2026	Minerva Group Holding Limited	397	1 for 2	33.33	(19.10)	(17.70)	(91.80)	(8.50)	No	No	3.50	No	Non-underwritten	N/A
5 May 2026	Citychamp Watch & Jewellery Group Limited	256	1 for 3	25.00	31.60	28.20	(88.90)	N/A	No	No	1.50	300,000	Non-underwritten	N/A
12 May 2026	MTT Group Holdings Limited	2350	2 for 5	28.57	(64.29)	(65.01)	1.85	(18.65)	No	No	2.20	300,000	Non-underwritten	N/A
13 May 2026	V & V Technology Holdings Limited	8113	1 for 2	33.33	1.12	5.88	(29.91)	N/A	Yes	Yes	N/A	No	Non-underwritten	N/A
21 May 2026	MOG DigiTech Holdings Limited	1942	1 for 2	33.33	(54.55)	(56.95)	(90.05)	(18.98)	No	No	1.00	No	Non-underwritten	N/A
	Maximum			80.00	31.60	28.20	2,157.10	(1.00)			4.00	400,000		
	Minimum			25.00	(72.88)	(69.04)	(91.80)	(24.29)			0.50	250,000		
	Average			48.54	(25.60)	(25.33)	97.19	(15.35)			1.95	312,500		
	Median			50.00	(22.63)	(24.20)	(64.79)	(13.98)			1.50	300,000		
	Maximum (exclude outlier)			80.00	31.60	28.20	66.70	(6.58)			4.00	400,000		
	Minimum (exclude outlier)			25.00	(72.88)	(69.04)	(91.80)	(24.29)			0.50	250,000		
	Average (exclude outlier)			50.01	(27.20)	(26.77)	(49.95)	(16.38)			1.87	333,333		
	Median (exclude outlier)			50.00	(22.52)	(24.90)	(68.51)	(16.32)			1.50	300,000		
	Company	913	3 for 2	60.00	(19.10)	(20.90)	(84.40)	(12.80)	No	No	3.00	No	Non-underwritten	N/A

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Source: the website of the Stock Exchange (www.hkex.com.hk)

Notes:

1. Information shown in the above table has been extracted from the relevant announcements or circulars of the rights issue of the respective Comparables, where applicable.
2. The potential maximum dilution effect of each rights issue is calculated as number of rights shares issued or to be issued under the basis of entitlement divided by the total number of shares as enlarged by the rights issue according to their respective basis of entitlements and assuming all rights shares have been/will be allotted and issued times 100%.
3. The NAV per share is calculated based on the latest published net asset value of the subject company and total number of shares in issue as at the date of the respective announcement. “N/A” denotes that the NAV of the relevant Rights Issue Comparable that has net liabilities according to its latest published audited/unaudited consolidated financial statements.
4. The theoretical dilution effect is calculated in accordance with Rule 7.27B of the Rules Governing the Listing of Securities on the Stock Exchange or Rule 10.44A of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“**GEM Listing Rule**”), or extracted from announcement, circular or prospectus in respect of the relevant rights issue.
5. Pursuant to Rule 7.21(1) of the Listing Rule or Rule 10.31(1) of the GEM Listing Rule.
6. “N/A” denotes that the subject rights issue was conducted without the involvement of any placing.
7. Kingland Group Holdings Limited (stock code: 1751) is considered as outlier due to the significant premium of subscription price per rights issue share over the NAV per share.
8. Pursuant to the announcement issued by i.century Holding Limited (stock code: 8507) on 19 March 2026 in relation to its proposed rights issue, the commission payable to the placing agent shall be HK\$400,000, a fixed amount rather than a commission rate.

According to our research, we observed that (i) 14 of the 16 Comparables (exclude the outlier) had set the subscription price of their rights issue at a discount to the prevailing closing price of their shares on the last trading day in relation to their respective rights issue (the “**LTD Price**”); (ii) 14 of the 16 Comparables (exclude the outlier) had set the subscription price of their rights issue at a discount to the average closing price per share for the last five consecutive trading days immediately up to and including the last trading day (the “**5-Day Discount Price**”); and (iii) 11 of the 16 Comparables (exclude the outlier) had set the subscription price of their rights issue at a discount to the NAV per share. It indicates that it is common for listed companies to set the subscription price of rights issue at a discount to the LTD Price, 5-Day Discount Price and the NAV per share, with a view to encouraging participation.

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The subscription price to the LTD Price of the Comparables (exclude the outlier) ranged from a discount of approximately 72.88% to a premium of approximately 31.60% with average and median discounts of approximately 27.20% and 22.52% respectively. The discount of approximately 19.10% of the Subscription Price to the LTD Price of the Company falls within the range of those of the Comparables (exclude the outlier) and is lower than the average and the median of the Comparables (exclude the outlier).

The subscription price to the 5-Day Discount Price ranged from a discount of approximately 69.04% to a premium of approximately 28.20% with average and median discounts of approximately 26.77% and 24.90% respectively. The discount of approximately 20.90% of the Subscription Price to the 5-Day Discount Price of the Company falls within the range of those of the Comparables (exclude the outlier) and is lower than the average and the median of the Comparables (exclude the outlier).

The subscription prices to the NAV per share of the Comparables (exclude the outlier) ranged from a discount of approximately 91.80% to a premium of approximately 66.70% with average and median discounts of approximately 49.95% and 68.51% respectively. The discount of approximately 84.40% of the Subscription Price to the NAV per share of the Company falls within the range of those of the Comparables and is higher than the average and median of the Comparables (exclude the outlier). However, having considered that during the Review Period, (i) the closing price of the Shares ranged between HK\$0.170 to HK\$0.400 per Share and the Shares traded at a discount to the NAV per Share (i.e. approximately HK\$0.90 as at 31 December 2025) on 246 out of 246 trading days, representing 100.00% of the Review Period; and (ii) the liquidity of the Shares is thin during the Review Period, the discount of the Subscription Price to the NAV per Share of the Company is fair and reasonable.

The theoretical dilution effect of the rights issue conducted by the Comparables (exclude the outlier) ranged from approximately 6.58% to approximately 24.29% with average and median discounts of approximately 16.38% and approximately 16.32% respectively. The theoretical dilution effect of the Rights Issue of approximately 12.80% falls within the range of the Comparables (exclude the outlier) and is lower than the average and the median of the Comparables (exclude the outlier).

Taking into account that (i) the Subscription Price generally falls below the Closing Price during the Review Period; (ii) the discounts of the Subscription Price to the LTD Price, the 5-Day Discount Price and the theoretical dilution effect of the Rights Issue fall within the discount range of the Comparables (exclude the outlier) and are lower than the average and median of those of the Comparables (exclude the outlier); and (iii) the discount of the Subscription Price to the NAV per Share falls within the range of the Comparables (exclude the outlier) yet higher than the average

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and median of those of the Comparables (exclude the outlier); (iv) during the twelve months ended 30 April 2026, the Company's average monthly trading turnover of approximately HK\$1.0 million (calculated based on the total trading turnover during the aforesaid twelve months divided by twelve months) represented merely approximately 1.5% of the market capitalisation of the Company of approximately HK\$66.0 million as at 30 April 2026; and (v) if the Subscription Price is set much closer to the NAV per Share, that price will be far higher than recent trading prices of the Shares in the market and unsatisfactory subscription of Rights Shares will be expected, which will lead to the diminishing of financial resources to be obtained by the Company from Rights Issue with considerable administrative costs incurred, we consider the Subscription Price is fair and reasonable to set the Subscription Price at a discount to the prevailing market price and the NAV per Share.

As shown in the table of the Comparables (exclude the outlier) above, it is common for listed issuers in Hong Kong to issue rights shares at a discount to prevailing market prices in order to enhance the attractiveness of the Rights Issue. We consider all Qualifying Shareholders are offered an equal opportunity to subscribe for the Rights Shares under the Rights Issue and are offered the same discounts of the Subscription Price to the closing price of the Share and the same potential maximum dilution, we are of the view that the Subscription Price (together with its dilution effect) is fair and reasonable so far as the Independent Shareholders are concerned, and also in alignment with the market practice. As such, we concur with the view of the Directors that it would be more practical and commercially reasonable to set a subscription price which is lower than the prevailing market price and the NAV per Share as illustrated above in order to enhance the attractiveness of the Rights Issue and encourage the Qualifying Shareholders and investors to participate in the Rights Issue under the prevailing market conditions and economic sentiment and with reference to (i) the recent market performance of the Shares particularly the Company's average trading volume as illustrated above indicated a lack of liquidity and demand for the Shares; and (ii) the Shares have been traded at a discount to the NAV per Share.

Among the Comparables (exclude the outlier), we noted that 15 out of 16 Comparables (exclude the outlier) exercise placing in their rights issues. As such, we consider that it is reasonable for rights issue to have placing arrangements.

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The Placing Agreement

Details of the Placing Agreement are summarised below:

- Date : 26 May 2026 (after trading hours), which is supplemented by another agreement dated 7 August 2026
- Issuer : the Company
- Placing Agent : Suncorp Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO, was appointed as the Placing Agent to procure, on a best effort basis, the Placees to subscribe for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares during the Placing Period.

The Placing Agent confirmed that it and its ultimate beneficial owner(s) are Independent Third Parties.

- Commission and expenses : The Company shall pay the Placing Agent a placing commission equivalent to 3% of the amount which is equal to the Placing Price multiplied by the total number of the Unsubscribed Rights Shares and NQS Unsold Rights Shares which are successfully placed by the Placing Agent.
- Placing price : The placing price of each of the Placing Shares shall be not less than the Subscription Price. The final price determination will be dependent on the demand and market conditions of the Placing Shares during the process of placement.
- Placee(s) : Any Professional Investor(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agent(s), who and whose ultimate beneficial owners shall be Independent Third Party(ies), to subscribe for any of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares, with an amount of not less than HK\$500,000 individually, on a best effort basis pursuant to the Placing Agreement.

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The Placing Agent will use its best endeavour to procure that the Placing will not have any implications under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing.

For further details, please refer to section headed “Placing Agreement for Unsubscribed Rights Shares and NQS Unsold Rights Shares” in the Board Letter. As stated in the Board Letter, the Placing Agent confirmed that it is independent of and not connected with the Company and its connected person and not a connected person of the Company. The engagement between the Company and the Placing Agent in respect of the Placing Shares (including the commission and expenses payable) was determined after arm’s length negotiation between the Placing Agent and the Company and is on normal commercial terms with reference to the existing financial position of the Group, the size of the Rights Issue, and the current and expected market conditions. We concur with the view of the Board that the terms of Placing Agreement in respect of the Placing Shares (including the commission and expenses payable) are on normal commercial terms with reference to 15 rights issue exercises (exclude the outlier) conducted by other companies listed on the Stock Exchange during the Comparison Period. We note that the commission charged by placing agent of 14 out of 15 rights issue exercises (exclude the outlier) generally ranged between 0.50% to 4.00%, with an average of approximately 1.87% and a median of 1.50%. We noted that the commission rate of 3.00% charged by the Placing Agent falls within the range of the Comparables (exclude the outlier) and higher than the average and median of the Comparables (exclude the outlier). Following our discussions with the Directors, we have concluded that establishing the placing commission at this level is essential for motivating the Placing Agent to attract investors for the Unsubscribed Shares. As such, we concur with the view of the Directors that the commission rate charged by the Placing Agent under the Placing is fair and reasonable and on normal commercial terms.

As explained in the Board Letter, the Unsubscribed Rights Shares and NQS Unsold Rights Shares will be placed by the Placing Agent to Independent Third Parties on a best effort basis for the benefits of the No Action Shareholders and Non-Qualifying Shareholders. If all or any of the Unsubscribed Rights Shares and NQS Unsold Rights Shares are successfully placed, any premium over the Subscription Price will be distributed to the relevant No Action Shareholders and Non-Qualifying Shareholders on a pro-rata basis.

We concur with the view of the Board that the Compensatory Arrangements are fair and reasonable and provide adequate safeguard to protect the interests of the Company’s minority Shareholders since the Compensatory Arrangements would

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provide (i) a distribution channel of the Placing Shares to the Company; (ii) an additional channel of participation in the Rights Issue for the Qualifying Shareholders and the Non-Qualifying Shareholders; and (iii) a compensatory mechanism for the No Action Shareholders and the Non-Qualifying Shareholders.

In particular, excess application is considered as a passive arrangement to facilitate additional participation of the Qualifying Shareholders. Taking into account the low liquidity of the Shares before the Last Trading Day, we consider it would be more desirable for the Company to adopt a more active measure by way of the Compensatory Arrangements to mitigate the uncertainty of the fundraising exercise.

Potential dilution effect

All Qualifying Shareholders are entitled to subscribe for the Rights Shares in the same proportion to his/her/its existing shareholding in the Company held on the Record Date so as to maintain their proportionate interests in the Company and participate in the future growth of the Group.

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event of an undersubscription of the Rights Issue, any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed on a best effort basis by the Placing Agent to independent places under the Placing. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares remain not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. The changes in shareholding structure of the Company arising from completion of the Rights Issue are set out in the section headed “EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY” in the Board Letter.

Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and NQS Unsold Rights Shares have been placed by the Placing Agent, the shareholding interests of the Qualifying Shareholders will be diluted by up to a maximum of 60.00%, which falls within the range of the Comparables.

Despite any potential dilution impact of the Rights Issue on the shareholding interests of the Shareholders, the terms and structure of the Rights Issue are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account the following factors: (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue are able to sell the nil-paid rights in the market; (ii) the Qualifying Shareholders who choose to accept their provisional entitlements in full can maintain their respective existing shareholding interests in the Company after the Rights Issue; (iii) the Rights Issue

LETTER FROM VINCO FINANCIAL

allows the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a relatively low price as compared to the recent market price of the Shares; and (iv) the discount of the Subscription Price to the current market price will encourage them to participate in the Rights Issue, we are of the opinion that the potential dilution impact to the public Shareholders who do not participate in the Rights Issue as a result of the Rights Issue is acceptable.

Financial effects of the Rights Issue

Net tangible assets

In light of the above, we are of the view that the overall financial impact to the Group upon completion of the Rights Issue is in the interests of the Company and the Shareholders. According to the “UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP” set out in the Appendix II to the Circular, the audited consolidated net tangible assets of the Group attributable to owners of the Company was approximately HK\$319.5 million as at 31 December 2025, while the unaudited consolidated net tangible assets per Share before completion of the Rights Issue was approximately HK\$0.90; upon completion of the Rights Issue, the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company would increase to approximately HK\$392.6 million, while the unaudited pro forma adjusted consolidated net tangible assets per Share immediately after completion of the Rights Issue was approximately HK\$0.44.

Gearing ratio and liquidity

According to the 2025 Annual Report, as at 31 December 2025, the audited bank balances and cash of the Group was approximately HK\$10.0 million. Immediately upon completion of the Rights Issue, the cash and cash equivalents of the Group is expected to increase by the expected net proceeds from the Rights Issue of approximately HK\$73.1 million.

Upon the completion of the Rights Issue, the equity attributable to owners of the Company would be enlarged by the expected net proceeds from the Rights Issue of approximately HK\$73.1 million. The gearing ratio was approximately 0.99% as at 31 December 2025.

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RECOMMENDATION

Taking into consideration the principal factors and reasons as set out in this letter, in particular, (i) the insufficient cash position on hand to capture suitable opportunities; (ii) the funding needs of the Group for the investment in listed securities in Hong Kong, the PRC and the USA and listed and/or unlisted debt securities issued by corporates in Hong Kong and the USA; (iii) the Rights Issue being considered as a more preferable options as compared to other alternatives under the current circumstance of the Group; (iv) the positive impact on the Group's liquidity position as a result of the Rights Issue; and (v) the Qualifying Shareholders can maintain and even increase their shareholding interest in the Company by participating in the Rights Issue, we are of the opinion that the terms of the Rights Issue and the Placing Agreement, and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the ordinary resolution(s) to be proposed at the EGM to approve the Rights Issue and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
Vinco Financial Limited
Alister Chung
Managing Director

Note: Mr. Alister Chung is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Vinco Financial Limited to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong for over 10 years.

A. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the three years ended 31 December 2023, 2024 and 2025 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hdca913.com), respectively:

- (i) the audited consolidated financial statements of the Group for the year ended 31 December 2023 is disclosed in the annual report of the Company for the year ended 31 December 2023 published on 18 April 2024, from pages 99 to 171:
<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0418/2024041800897.pdf>
- (ii) the audited consolidated financial statements of the Group for the year ended 31 December 2024 is disclosed in the annual report of the Company for the year ended 31 December 2024 published on 15 April 2025, from pages 100 to 175:
<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0415/2025041500433.pdf>
- (iii) the audited consolidated financial statements of the Group for the year ended 31 December 2025 is disclosed in the annual report of the Company for the year ended 31 December 2025 published on 29 April 2026, from pages 114 to 183:
<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0429/2026042901572.pdf>

B. INDEBTEDNESS STATEMENT

Apart from intra-group liabilities, the Company and its subsidiaries did not have any other outstanding bank or other borrowings, mortgages, charges, debentures or other loan capital, bank overdrafts, loans or other similar indebtedness, guarantee, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase or other finance lease commitments or other contingent liabilities as at 30 June 2026.

Saved as disclosed above, the Directors have confirmed that there has been no material change in the indebtedness and contingent liabilities of the Company since 30 June 2026 up to the Latest Practicable Date.

C. WORKING CAPITAL STATEMENT

As at the Latest Practicable Date, the Company has obtained a working capital sufficiency confirmation letter from its auditor as required under Rule 9.20(1) of the Listing Rules. The Directors, after due and careful consideration, are of the opinion that taking into account the financial resources available to the Group and the estimated net proceeds from the Rights Issue, the working capital available to the Group is sufficient for the Group's requirements for at least the next twelve (12) months following the date of this Circular.

D. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Company since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

E. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The Company is an investment company and its shares are listed on the Main Board of the Stock Exchange since 27 October 1999, pursuant to Chapter 21 of the Listing Rules. The Group will remain principally engaged in investment in listed and unlisted companies mainly in Hong Kong, the PRC and USA.

The Hang Seng Index closed at 20,060 points on 31 December 2024, 25,631 points on 31 December 2025 and 25,182 points on 29 May 2026. These figures show that after a strong year-end rally in 2025, the index closing at 25,182 points on 29 May 2026, reflects a modest decline from mid-May levels above 26,000. This suggests profit-taking and sector rotation after the earlier rally.

The performance of Group's listed securities is in line with the market. After over HK\$148 million trading gain on listed securities recognised in the year ended 31 December 2025, trading loss on listed securities of approximately HK\$14.4 million was recorded in the four months ended 30 April 2026.

The global economy in mid 2026 is resilient but facing new headwinds: the USA is still expanding at around 2.3% growth with strong AI driven investment, though inflation remains sticky around 2.8-3%, while China is stabilizing at around 4.8% growth supported by exports and policy easing despite property sector weakness. Energy shocks from Middle East tensions are the main drag globally, temporarily lifting inflation and slowing momentum.

Looking forward, we, the Directors, consider in USA, Federal Reserve will likely be cautious, with only one small rate cut in 2026 but broader easing is expected in 2027. "Proactive and effective" fiscal stance continues, with flexibility to scale up support. Structural reforms (unified national market, strategic sectors) are prioritized. Although Fed rates will likely be cut in coming future, and continuing economic growth in China is expected, the global economy is still facing risks and uncertainties including prolonged energy disruptions, which can trigger recession, and AI investment growth raising concerns about valuation bubbles. As such, we will continue to adopt cautious measures to manage the Group's investment portfolio.

In view of the average share price of approximately HK\$0.188 of the Company in April 2026 which was traded below the Company's unaudited net asset value per share (HK\$0.845) as at 30 April 2026, the Directors considered that the trading price of the Shares has yet reflected the intrinsic value of the Company and was undervalued by the investors under current market perception. Taking note of the current investment environment and the Group's proposed development to capture suitable investment opportunities in both listed and unlisted securities from time to time utilising proceeds from the Rights Issue, the Directors considered that it will strengthen the Group's asset and capital base which will be beneficial for the Group's business growth and development.

Up to the Latest Practicable Date, dividend policy of the Company does not set out specifically the proportion of net profits which will be distributed as dividend to Shareholders in the event the Group recorded net profits.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS ATTRIBUTABLE TO OWNERS OF THE COMPANY

Introduction

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2025 (the “**Unaudited Pro Forma Financial Information**”) which has been prepared by the directors in accordance with paragraph 4.29 of the Listing Rules and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants is for illustration only, and is set out in this appendix to illustrate the effects of the Rights Issue, on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2025, as if the Rights Issue had taken place on such date.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2025 or any future date following the Rights Issue.

The Unaudited Pro Forma Financial Information is prepared based on the consolidated net tangible assets of the Group attributable to owners of the Company derived from the audited consolidated statement of financial position of the Group as at 31 December 2025 as extracted from the published annual report of the Company for the year ended 31 December 2025, after incorporating the adjustments described in the accompanying notes.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

		Unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of the Company as at 31 December 2025	Unaudited consolidated net tangible assets attributable to owners of the Company per Share as at 31 December 2025	Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share as at 31 December 2025
Audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025	Unaudited estimated net proceeds from the Rights Issue	immediately after completion of the Rights Issue	immediately before completion of the Rights Issue	immediately after completion of the Rights Issue
HK\$'000	HK\$'000	HK\$'000	HK\$	HK\$
(Note 1)	(Note 2)		(Notes 3&4)	(Note 5)

Based on 532,227,024 Rights Shares to
be issued at Subscription Price of
HK\$0.14 per Rights Share

319,457	73,136	392,593	0.90	0.44
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Notes:

1. The audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025 were approximately HK\$319,457,000, which has been extracted from the audited consolidated statement of financial position of the Group as at 31 December 2025, as shown on the published annual report of the Company for the year ended 31 December 2025 by the Directors.
2. The estimated net proceeds from the Rights Issue of approximately HK\$73,136,000 are based on 532,227,024 Rights Shares to be issued at HK\$0.14 per Rights Share after deducting estimated related expenses of approximately HK\$1,376,000 and assumed that there is no change in the number of issued shares from the Latest Practicable Date to the Record Date.
3. The number of shares used for the calculation of unaudited pro forma adjusted consolidated net tangible assets per share is based on 354,818,016 Shares in issue as at 31 December 2025.
4. The calculation of unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025 per Share before the completion of the Rights Issue is based on the unaudited consolidated net tangible assets of the Group as at 31 December 2025 of approximately HK\$319,457,000, divided by 354,818,016 Shares.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

5. The calculation of unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025 per Share immediately after the completion of the Rights Issue is based on unaudited pro forma consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2025 immediately after the completion of the Rights Issue of approximately HK\$392,593,000, being the aggregate audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2025 of approximately HK\$319,457,000 and the estimated net proceeds from the Rights Issue of approximately HK\$73,136,000, divided by 887,045,040 shares which represents the sum of 354,818,016 Shares and 532,227,024 Rights Shares (assuming no new shares are issued and no repurchase of shares from the Latest Practicable Date to the Record Date) were issued immediately after the completion of the Rights Issue, as if the Rights Issue had been completed on 31 December 2025.
6. Save as disclosed above, no adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2025.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

B. ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from Elite Partners CPA Limited, Certified Public Accountants, Hong Kong, the independent reporting accountants of the Company, in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this Circular.



Unit 1503,
15/F, Jubilee Centre,
18 Fenwick Street,
Wan chai, Hong Kong

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Board of Directors of Harbour Digital Asset Capital Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Harbour Digital Asset Capital Limited (the “**Company**”) and its subsidiaries (collectively referred to as 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 adjusted net tangible assets as at 31 December 2025, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out in Appendix II of the circular dated 13 August 2026 issued by the Company (the “**Circular**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue of 532,227,024 rights shares at the subscription price of HK\$0.14 per rights share on the basis of three rights shares for every two existing share of the Company held on the record date (the “**Rights Issue**”) on the Group's financial position as at 31 December 2025 as if the Rights Issue had taken place as at 31 December 2025. As part of this process, information about the Group's net tangible assets has been extracted by the Directors from the Group's consolidated statement of financial position as at 31 December 2025, on which annual report has been published.

Directors' responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited 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 (the “**HKICPA**”).

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Our independence and quality control

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 behavior.

The firm applies Hong Kong Standard on Quality Management (“**HKSQM**”) 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 Unaudited 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 Unaudited 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 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 Unaudited 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 purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited 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 Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in the Circular is solely to illustrate the impact of the Rights Issue on unadjusted financial information of the Company as if the Rights Issue 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 the Rights Issue would have been as presented.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

A reasonable assurance engagement to report on whether the Unaudited 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 Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Rights Issue, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited 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 Rights Issue in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma 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:

- (a) the Unaudited 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 purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29 (1) of the Listing Rules.

Yours faithfully,

Elite Partners CPA Limited
Certified Public Accountants
Hong Kong

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors and directors of the Investment Manager collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors and directors of the Investment Manager, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular 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 circular misleading.

2. SHARE CAPITAL**(a) Share capital as at the Latest Practicable Date**

<i>Authorised:</i>		<i>HK\$</i>
<u>2,000,000,000,000</u>	Shares of HK\$0.001 each	<u>2,000,000,000</u>
<i>Issued and fully paid:</i>		<i>HK\$</i>
<u>354,818,016</u>	Shares of HK\$0.001 each	<u>354,818.02</u>

(b) Upon completion of the Rights Issue

<i>Authorised:</i>		<i>HK\$</i>
<u>2,000,000,000,000</u>	Shares of HK\$0.001 each	<u>2,000,000,000</u>
<i>Issued and fully paid:</i>		<i>HK\$</i>
354,818,016	Shares of HK\$0.001 each	354,818.02
<u>532,227,024</u>	Rights Shares to be allotted and issued under the Rights Issue	<u>532,227.02</u>
<u>887,045,040</u>	Shares in issue immediately upon completion of the Rights Issue	<u>887,045.04</u>

All the Rights Shares to be issued will rank *pari passu* in all respect with each other, including, in particular, as to dividends, voting rights and capital, and once issued and fully paid, with all the Shares in issue as at the date of allotment and issue of the Rights Shares.

The Company will apply to the Listing Committee for the listing of and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms. No part of the equity and debt securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange. As at the Latest Practicable Date, there were no arrangements under which future dividends are waived or agreed to be waived.

As at the Latest Practicable Date, the Company has no treasury shares or other derivatives, outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into the Shares.

3. DISCLOSURE OF INTERESTS

(a) Directors' and chief executive's interests and short positions in the Shares and underlying Shares

As at the Latest Practicable Date, save as Ms. CHUNG Fai Chun, who holds 750,000 Shares, none of the Directors or chief executives had any interests and short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO; or interest and short positions required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO; or interests and short positions which fall to be disclosed to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as stipulated in the Listing Rules.

(b) Substantial shareholders and other persons' interests in Shares and underlying Shares

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, there is no person had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying voting rights to vote in all circumstances at general meeting of any other member of the Group.

4. DIRECTORS' INTERESTS IN CONTRACT AND ASSET

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025, the date to which the latest published audited accounts of the Group were made up.

There was no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date, in which any of the Directors was materially interested and which was significant in relation to the business of the Group as a whole.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

6. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or controlling shareholders of the Company or their respective associates had any business or interest which competes or may compete with the business of the Group, or have or may have any other conflicts of interest with the Group.

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, claim or arbitration of material importance and there was no litigation, claim or arbitration of material importance known to the Directors to be pending or threatened against any member of the Group.

8. MATERIAL CONTRACTS

Save for the Placing Agreement, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the date of this circular.

9. EXPERTS AND CONSENTS

The following is the qualification of the experts or professional advisers who have given opinion or advice contained in this circular (collectively, the “**Experts**”):

Name	Qualification
Vinco Financial Limited	a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
Elite Partners CPA Limited	Certified Public Accountants

As at the Latest Practicable Date, each of the above Experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letters or reports and the reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, none of the Experts had any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, none of the Experts had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025, being the date to which the latest published audited accounts of the Company were made up.

10. EXPENSES

The expenses in connection with the Rights Issue, including financial advisory fees, placing commission (assuming the Rights Issue is not fully-subscribed and any Unsubscribed Rights Shares and NQS Unsold Rights Shares are placed by the Placing Agent), printing, registration, translation, legal and accountancy charges are estimated to be up to approximately HK\$1.4 million, which are payable by the Company.

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Board of Directors	<i>Executive Director</i> Ms. SHUM Kit Lan Anita <i>Non-executive Director</i> Mr. ZHANG Baiyan <i>Independent Non-executive Directors</i> Mr. HUNG Cho Sing Ms. CHUNG Fai Chun Mr. YU Tat Chi Michael
Audit committee	Mr. YU Tat Chi Michael (<i>Chairman</i>) Mr. HUNG Cho Sing Ms. CHUNG Fai Chun
Nomination committee	Mr. HUNG Cho Sing (<i>Chairman</i>) Ms. CHUNG Fai Chun Mr. YU Tat Chi Michael
Remuneration committee	Mr. HUNG Cho Sing (<i>Chairman</i>) Ms. CHUNG Fai Chun Mr. YU Tat Chi Michael
Registered office	Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111 Cayman Islands
Principal place of business in Hong Kong	Room 1006, 10th Floor, 299QRC 287-299 Queen's Road Central Sheung Wan, Hong Kong
Authorised representatives	Ms. SHUM Kit Lan Anita Ms. SIU Wing Shan
Business address of all Directors and authorised representatives	Room 1006, 10th Floor, 299QRC 287-299 Queen's Road Central Sheung Wan, Hong Kong
Company secretary	Ms. SIU Wing Shan (<i>associate of The Hong Kong Chartered Governance Institute</i>)

Hong Kong share registrar and transfer office	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Principal banker	The Hongkong and Shanghai Banking Corporation Limited 1 Des Voeux Road Central Hong Kong
Auditor	Elite Partners CPA Limited Unit 1503, 15/F, Jubilee Centre 18 Fenwick Street, Wanchai Hong Kong
Legal adviser to the Company as to Hong Kong laws	Chan, Wan, Luk & Associates Room 1003, 10/F 8 Jordan Road, Jordan Kowloon, Hong Kong
Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders	Vinco Financial Limited Unit 2808, 28/F The Center 99 Queen's Road Central Hong Kong
Placing Agent	Suncorp Securities Limited Unit 2305, 23/F, The Center 99 Queen's Road Central Hong Kong

12. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT**Executive Director**

Ms. SHUM Kit Lan Anita (“**Ms. SHUM**”), aged 65, was appointed as an executive Director in November 2014. She was a director and a responsible officer of an asset management company in Hong Kong, and a licensed person to carry out type 9 (asset management) regulated activities under the SFO.

Ms. SHUM has a wealth of working experience in securities advisory, corporate finance, corporate management and fund management.

Non-executive Director

Mr. ZHANG Baiyan (“**Mr. ZHANG**”), aged 41, was appointed as a non-executive Director in February 2026. He is currently non-executive member of Precious Metal Consulting and Engineering LLC, an associated company under PMCE Group, and was the Vice President of PMCE Group, which is a California-based company specializing in investment and trading precious metals across U.S., China and other regions, during the period from January 2022 to August 2025. In PMCE Group, Mr. ZHANG was responsible for business development, investment deal sourcing and coordination, and supply chain establishment of precious metal international trading across African countries including Nigeria, Tanzania and Rwanda.

Mr. ZHANG holds a Master Degree in Finance of Peking University and a Bachelor Degree in Finance of Fudan University.

Independent Non-executive Directors

Mr. HUNG Cho Sing (“**Mr. HUNG**”), aged 85, has over 30 years of experience in the film distribution industry and founded Delon International Film Corporation in 1970. Mr. HUNG has been the chairman of Hong Kong, Kowloon and New Territories Motion Picture Industry Association Limited since 1991 and was the chairman of Hong Kong Film Awards Association Limited from 1993 to 1995. Mr. HUNG was appointed by the Hong Kong Special Administrative Region (“**HKSAR**”) Government as a member of the Hong Kong Film Development Council from 2007 to 31 March 2013. Mr. HUNG was also appointed as a consultant of the China Film Association since 2013. Mr. HUNG is also a member of HKSAR Election Committee and a vice chairman of the Cultural Profession Committee of the Guangdong, Hong Kong and Macau Cooperation Promotion Council (廣東省粵港澳合作促進會文化專業委員會副主任委員). Mr. HUNG was awarded the Bronze Bauhinia Star (BBS) by the HKSAR Government in 2005 in recognition of his contribution to the Hong Kong Film industry. Mr. HUNG has been appointed by the HKSAR Government as a non-official member of the Working Group on Manufacturing Industries,

Innovative Technology, and Cultural and Creative Industries under the Economic Development Commission since 17 January 2013. He has been the vice chairman of Film Association of Guangdong, China since November 2016.

Mr. HUNG was appointed as independent non-executive Director in October 2014. Mr. HUNG is an independent non-executive director of each of Oshidori International Holdings Limited (stock code: 622), KOALA Financial Group Limited (stock code: 8226) and China Star Entertainment Limited (stock code: 326) as at the Latest Practicable Date. Mr. HUNG was an independent non-executive director of hmvod Limited (stock code: 8103) during the period from April 2023 to September 2024. All these companies are listed on either the Main Board or the GEM of the Stock Exchange.

Ms. CHUNG Fai Chun (“**Ms. CHUNG**”), aged 60, was appointed as an INED in December 2014. She is currently a deputy general manager of a watchcase factory. She has over 20 years’ ample experience in the watchcase production industry, and has a wealth of experience in marketing, business operation and management.

Mr. YU Tat Chi Michael (“**Mr. YU**”), aged 61, holds a bachelor of commerce degree from the University of New South Wales, Australia. He is a fellow member of the CPA Australia and a member of the Hong Kong Institute of Certified Public Accountants. Mr. YU is also a founding member of The Hong Kong Independent Non-Executive Director Association. Mr. YU has many years of experience in accounting, corporate finance and asset management. He had held senior management positions in several listed companies in Hong Kong. He is currently an executive director of Sino Splendid Holdings Limited (a company listed on GEM of the Stock Exchange, stock code: 8006) and an independent non-executive director of each of Golden Resources Development International Limited (a company listed on the Main Board of the Stock Exchange, stock code: 677), China Netcom Technology Holdings Limited (a company listed on GEM of the Stock Exchange, stock code: 8071), Lerado Financial Group Company Limited (a company limited on Main Board of the Stock Exchange, stock code: 1225), and WT Group Holdings Limited (a company listed on GEM of the Stock Exchange, stock code: 8422). During the period from September 2016 to December 2024, Mr. YU was an independent non-executive director of Novautek Technologies Group Limited (formerly known as “Applied Development Holdings Limited”, a company listed on the Main Board of the Stock Exchange, stock code: 519). Mr. YU has extensive experience in the field of accounting.

Senior management

Ms. SIU Wing Shan (“**Ms. SIU**”) holds a bachelor’s degree in accountancy and a master’s degree in corporate governance. She is an associate of The Hong Kong Chartered Governance Institute. Ms. SIU has extensive experience in corporate secretarial field.

13. AUDIT COMMITTEE

As at the Latest Practicable Date, the audit committee consists of three members, all being independent non-executive Directors, namely, Mr. YU Tat Chi Michael (Chairman), Mr. HUNG Cho Sing and Ms. CHUNG Fai Chun. The duties of the Audit Committee include, without limitation, (a) making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, approving the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal; (b) monitoring integrity of the Group's financial statements, annual report and accounts and half-year report, and reviewing significant financial reporting judgments contained therein; (c) reviewing the Group's financial control, internal control and risk management systems; and (d) reviewing reports made by the corporate guarantee committee, a committee closely monitoring the Group's activities for the provision of corporate guarantee and to enforce the prohibition on provision of corporate guarantee to any party other than member of the Group. The Group's annual results for the year ended 31 December 2025 have been reviewed by the Audit Committee.

14. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (<https://www.hkexnews.hk/>) and the Company (<http://www.hdca913.com>) for a period of not less than 14 days from the date of this circular up to and including the date of the EGM:

- (a) the annual reports of the Company for each of the three financial years ended 31 December 2023, 2024 and 2025;
- (b) the Placing Agreement;
- (c) the letter from the Board, the text of which is set out on pages 10 to 32 of this circular;
- (d) the letter of recommendation from the Independent Board Committee, the text of which is set out on pages 33 to 34 of this circular;
- (e) the letter of advice from the Independent Financial Adviser, the text of which is set out on pages 35 to 60 of this circular;
- (f) the accountant's report on the unaudited pro forma financial information of the Group issued by Elite Partners CPA Limited, the text of which is set out in Appendix II to this circular;
- (g) the written consents referred to in paragraph headed "9. Experts and consents" of this appendix; and
- (h) this circular.

15. MISCELLANEOUS

- (a) As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (b) The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currency of the Group entities. As at the Latest Practicable Date, the Group does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.
- (c) In the event of any inconsistency, the English texts of this circular and the accompanying form of proxy shall prevail over their respective Chinese texts.

This appendix serves as an additional disclosure requirement pursuant to Rule 21.09 of the Listing Rules in connection with the listing document of investment companies. This appendix includes particulars given in compliance with the Listing Rules for the purpose of giving information to the public with regard to the Company. The Directors and the directors of the Investment Manager collectively and individually accept full responsibility for the accuracy of the information contained in this appendix and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

INFORMATION ON THE INVESTMENT MANAGER AND THE CUSTODIAN

Investment Manger	Sinolink Securities (Hong Kong) Company Limited
Directors of the Investment Manager	Jiang Wenguo (姜文國) Jin Peng (金鵬) Ji Lu (紀路) Zhou Honggang (周洪剛) Tan Jun (譚軍) Zhang Jin (張靜) Chen Dongxiong (陳東雄)
Address of Investment Manager and its directors	Unit 3501-08 35F, COSCO Tower 183 Queen's Road Central Sheung Wan, Hong Kong

The Investment Manager

The Investment Manager is a company incorporated in Hong Kong with limited liability and is a licensed corporation registered under the SFO. It is principally engaged in the business of provision of asset management services to clients and is licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO.

The biographical details of the directors of the Investment Manager are set out as follows:

Jiang Wenguo

Male, currently serves as Deputy Secretary of the Party Committee, Director, President, and Chief Financial Officer of Sinolink Securities Company Limited* (國金證券股份有限公司), a Director of each of Sinolink Futures Company Limited* (國金期貨有限責任公司), Sinolink Financial Holding (Hong Kong) Limited, Sinolink Securities (Hong Kong) Company Limited, and Sinolink International Asset Management Company Limited. He has over 25 years of experience in capital markets and management.

Jin Peng

Male, currently serves as Chairman of the Supervisory Committee of Sinolink Securities Company Limited* (國金證券股份有限公司), a Director of each of Sinolink Financial Holding (Hong Kong) Limited, and Sinolink Securities (Hong Kong) Company Limited. He has over 25 years of experience in capital markets and management.

Ji Lu

Male, currently serves as the Vice President of Sinolink Securities Company Limited (國金證券股份有限公司), Chairman of Gfund Management Company Limited* (國金基金管理有限公司), a Director of each of Sinolink Securities (Hong Kong) Company Limited, Sinolink International Asset Management Limited, Sinolink Finance (HK) Limited, and Sinolink Daofu Investment Services Company Limited* (國金道富投資服務有限公司), and Executive Director of Shanghai Gfund Wealth & Asset Management Company Limited* (上海國金理益財富基金銷售有限公司). He is also a professional valuation expert in securities companies at the Securities Association of China, and the Chairman of the Research and Consulting Committee of the Sichuan Securities and Futures Industry Association* (四川證券期貨業協會研究諮詢委員會), and has over 25 years of experience in capital markets and management.

Zhou Honggang

Male, currently serves as a member of the Party Committee and secretary of the Board of Directors of Sinolink Securities Co. Ltd.* (國金證券股份有限公司), a Director of each of Sinolink Dingxing Investment Co., Ltd.* (國金鼎興投資有限公司), Sinolink Financial Holding (Hong Kong) Limited, Sinolink Securities (Hong Kong) Company Limited, Sinolink International Corporate Finance Limited, Sinolink Finance (HK) Limited, Director, Director of the Board Office, Director of the President's Office, and General Manager of the Comprehensive Affairs Department of Sinolink International Asset Management Limited, Deputy Director of Sinolink Securities Asset Management Co., Ltd.* (國金證券資產管理有限公司), member of the 7th Development Strategy, Reputation and Brand Maintenance Professional Committee of the Securities Association of China, member of the

Reputation Management Working Committee of the China Association of Listed Companies* (中國上市公司協會), and Chairman of the Financial Promotion Association in the Pudong New Area of Shanghai* (上海市浦東新區金融促進會), and has over 15 years of experience in capital markets and management.

Tan Jun

Male, currently serves as a Director of each of Sinolink Securities (Hong Kong) Company Limited, Sinolink International Corporate Finance Limited, and Sinolink Finance (HK) Limited. He has over 25 years of experience in the capital markets.

Zhang Jing

Female, currently serves as the CEO of Sinolink Securities (Hong Kong) Company Limited, a Director of each of Sinolink Financial Holdings (Hong Kong) Limited, Sinolink International Corporate Finance Limited, Sinolink International Asset Management Limited, and Sinolink Finance (HK) Limited. She has over 20 years of experience in capital markets and management.

Chen Dongxiong

Male, currently serves as the Assistant General Manager and Director of Sinolink Securities (Hong Kong) Company Limited. He has over 20 years of experience in capital markets and management.

** For identification purposes only*

The Directors confirm that none of the directors of the investment company, the management company, any investment adviser or any distribution company, or any associate of any of those persons, is or will become entitled to receive any part of any brokerage charged to the investment company, or any reallowance of other types on purchases charged to the investment company.

The Custodian

Chong Hing Bank Limited (formerly known as Liu Chong Hing Bank Limited) was appointed as the custodian in relation to the investments which the Company may from time to time deposit with the Custodian.

The Directors confirm that none of the directors of the Company, the management company, any investment adviser or any distribution company, or any associate of any of those persons, is or will become entitled to receive any part of any brokerage charged to the Company, or any reallowance of other types on purchases charged to the Company.

RISKS RELATING TO THE COMPANY

The Company is an investment company and its funds will be invested in listed and unlisted companies in Hong Kong, the PRC and the USA. These investments will be subject to market fluctuations and to the risks inherent in all investments. Investors should also be aware that the Company's income and its net asset value are likely to be adversely affected by external factors beyond the control of the Company. As a result, income of the fund and its net asset value may therefore go down as well as go up, subject to the prevailing market conditions.

INVESTMENT OBJECTIVES AND POLICIES

The Company is an investment company incorporated in the Cayman Islands with the primary objective of achieving medium-term to long-term capital appreciation by investing in listed and unlisted companies in Hong Kong, PRC and other main markets around the world.

The Company has adopted the following investment policies:

- (a) Investments will normally be made in the form of equity related securities and debt instruments in listed and unlisted companies engaged in different industries including but not limited to manufacturing, services, property, telecommunications, technology and infrastructure sectors to maintain a balance in the Company's exposure to different industry sectors in order to minimise the impact on the Company of any downturn in any particular sector.
- (b) Investments will normally be made in enterprises which are established in their respective fields and in which the Board believes that there are prospects of long-term growth. In particular, the Company will seek to identify businesses with a potential of profit growth, strong management, high level of technical expertise and research and development capabilities as well as management commitment to the long-term growth. However, the Company will also consider investments in companies or other entities which are considered by the Board and the Investment Manager to be in special or recovery situations.
- (c) Where possible, the Board and the Investment Manager would seek to identify investments where there is a certain degree of synergy with other investee companies and where cooperation between such companies would be of mutual benefit to each other.
- (d) The Company's investments are intended to identify medium-term or long-term capital appreciation and there is no present intention to realise any of such investments in any specific period or by any specific date. Nevertheless, the Board will from time to time realise investments where they believe that to do so would be in the best interests of the Company or where the terms on which such realisation can be achieved are believed by the Board to be particularly favourable to the Company.

There are no requirements under the Listing Rules and/or the Articles that any alterations to the investment objectives and policies of the Company require Shareholders' approval except that Chapter 21 of the Listing Rules require, *inter alia*, that the investment objectives and policies as set out in the listing document at the time of listing will not be changed for at least 3 years without the consent of shareholders of the investment company in general meeting. Therefore, the investment objectives and policies of the Company as stated above may be altered without Shareholders' approval. As at the Latest Practicable Date, the Board has no present intention to change the stated investment objectives and policies above.

INVESTMENT RESTRICTIONS

Under the Articles and the Listing Rules relating to the listing of investment companies, certain restrictions on investments are imposed on the Company. In part to meet such restriction, the Board has resolved that the Company may not:

- (a) either on its own or in conjunction with any connected person, make legal, or effective, management control of any company or other entity in which it invests or owns or controls more than 30% (or such lower percentage as may from time to time be specified in Takeovers Code as being the level for triggering a mandatory general offer) of the voting rights in such company or entity, except in relation to wholly-owned subsidiaries of the Company.
- (b) invest in any company or entity other than wholly-owned subsidiaries of the Company if such investment will result in more than 20% of the net asset value being invested in such company or entity as at the date the investment is made.
- (c) buy or sell commodities, commodity contracts or precious metals, except that it may purchase and sell futures contracts on stock indices and securities which are secured by commodities or precious metal.
- (d) invest more than 20% of the Company's assets outside Hong Kong and the PRC to the extent of contravening its primary objective of achieving medium-term or long-term capital appreciation by investing in listed and unlisted companies in Hong Kong and the PRC.

The Company has to comply with investment restrictions (a) and (b) above, in accordance with its Articles, and at all times while it remains listed as an investment company under Chapter 21 of the Listing Rules.

The investment restrictions set out in items (c) and (d) above can only be changed subject to the approval of Shareholders by way of an ordinary resolution. The Board has no present intention to change any of the abovementioned investment restrictions.

As the Latest Practicable Date, the Company's investment portfolio does not consist of investments in options, warrants, commodities, futures contracts and precious metals. Save for the unlisted securities, the Company has no present intention to invest in options, warrants, commodities, futures contracts and precious metals, it may do so in the future should suitable opportunities or market condition arise.

DISTRIBUTION POLICY

It is the Board's intention to distribute any excess balance by way of dividend to the extent permitted by law, the Memorandum and the Articles. Dividends will only be paid to the extent that they are covered by net income received from underlying investments. Distribution will be made annually after the annual accounts of the Company are approved by the Shareholders but interim distribution may be made from time to time to Shareholders as appear to the Board to be justified by the position of the Company. Distributions will be made in Hong Kong dollars.

FEES AND EXPENSES

The Company will pay the fees of the Investment Manager and the Custodian, as described below. In addition, the Company will pay certain other costs and expenses incurred in its operation, including taxes, expenses for legal, auditing and consulting services, promotional expenses, registration fees and other expenses due to supervisory authorities in various jurisdictions, insurance, interest and brokerage cost.

Investment management fees

The Company currently pays the Investment Manager a monthly investment management fee payable at HK\$50,000 per month from 14 March 2025 up to 13 March 2028.

Custodian fees

Pursuant to the Custodian Agreement, the Company will pay the Custodian such reasonable fees, costs and expenses in respect of the custodian account as may from time to time be prescribed by the Custodian. All fees, costs and expenses of the Custodian shall accrue on a daily basis. The Company also agrees to pay all costs, taxes, expenses and fees (including any applicable fees of any clearing house) in connection with or arising out of the operation of the custodian account. The Custodian shall be entitled to charge interest (both before and after judgment) on any amount owed to the Custodian by the Company at 6% above the prime rate from time to time of the Custodian.

SAFEGUARD OF ASSETS**Listed Investments**

Pursuant to the Custodian Agreement, the services provided by the Custodian are principally the safe custody and nomination services as detailed below:

Safe Custody: The Custodian is responsible for the safe-keeping of all certificates, instruments, or documents of title representing the listed stocks, shares, funds, bonds, notes, options, units, or other securities (collectively “**Securities**”) deposited by the Company into the account. The Custodian is authorized to hold these title documents in its own custody or with other permitted dealers, custodians, depositories, or clearing houses, institutions or entities as permitted and in accordance with the SFO and other applicable laws, regulations, rules, codes and guidelines, subject to such person’s usual terms and condition. The Custodian may in its absolute discretion refuse to accept a deposit of any Securities for credit into the Company’s account.

Nominee Services: At its discretion, the Custodian may provide nominee services, which specifically encompass (i) the collection, transfer, and disposal of dividends, interest, distributions, rights, entitlements, options, warrants, and other securities accruing to the Company’s Securities to be allocated by the Custodian to the Company’s account; and (ii) the seeking instructions from the Company regarding the exercise of rights or entitlements accruing to the Securities or the participation in other actions, transaction or other actions, transactions or matters affecting them and giving effect to such transactions.

As at the Latest Practicable Date, the Group does not place any investment in the custodian account. All listed securities held by the Group are placed in its accounts opened in other securities firms in Hong Kong. The Directors noted that the operating costs of the buy-and-sell transactions of listed securities executed in the securities firms engaged by the Group (the “**Securities Firms**”) are lower than those in the Custodian, which is a bank, and the Securities Firms are licensed corporations operating under the SFO and maintain client asset segregation in accordance with regulatory requirements. Accordingly, the Group placed its listed securities in the Securities Firms instead of the Custodian can lower the operating costs and the Directors are satisfied that asset segregation safeguards remain adequate. In addition, the Company has to respond promptly to rapid changes in the stock market. Timely execution is critical in volatile markets. Transactions through the Custodian are comparatively slower, whereas trading via the Securities Firms enables the Group to respond promptly and efficiently. To balance operating efficiency with the safeguarding of the Group’s assets, the Group has adopted a new policy regarding its listed investments. Under this policy, any listed securities held for more than six months without trading activity will be deposited into the custodian account. The remaining listed securities will continue to be maintained with the Securities Firms to facilitate timely transactions.

Unlisted Investments

As safe-keeping of unlisted securities is out of service scope of the Custodian Agreement, all such securities are kept by the Group in its safe box. The Group maintains a register of unlisted investments, and any movement of these securities into or out of the safe box requires dual authorization from both Mr. TAM Kiu Hei Hevin, the operating manager of the Group (the “**Operating Manager**”) and the Non-executive Director.

Internal Control

In line with current practice, the Operating Manager is responsible for managing listed and unlisted investments within trading, investment and margin financing limits (the “**Limits**”) set annually by the Board. The Operating Manager regularly discusses investment strategies with the executive Director and the Investment Manager. Before placing orders for listed stock transactions, the Operating Manager must first confirm his investment proposals, including the technical and/or fundamental analysis, the quantities and the price ranges of the stocks to be traded, with both the Investment Manager and the Executive Director. The Investment Manager provides comments to the proposals, if any. Subject to the comments of the Investment Manager and the Limits, the Executive Director determines whether to approve the listed stock transactions. The Executive Director is not allowed to approve the listed stock transactions, in case of negative comment of the Investment Manager received. In case of the proposed amount listed stocks transaction beyond the Limits, the Operating Manager has to seek a special approval by the Board before execution. In addition, the Operating Manager has to confirm the Non-executive Director, who is responsible for verifying the appropriate authorization from the Executive Director or where applicable, the full Board has been secured, before executing the listed stock transactions. After trading hours each day, the Operating Manager prepares a daily portfolio report on listed stock investments for the Board and the Investment Manager for their confirmation.

Similar to listed investment transactions, the Operating Manager is responsible for preparing analysis reports to support the buy-and-sell decisions for unlisted investments. Where the transaction amount falls within the Limits, execution must be authorized by the Executive Director, with the consent the Investment Manager. For transactions exceeding the Limits, approval from the full Board is required. Before making any payment for the acquisition of unlisted investments, the Operating Manager must obtain the consent of the Non-executive Director, who is responsible for verifying that the appropriate authorization from the Executive Director or, where applicable, the full Board has been secured.

The Custodian Agreement does not cover its custodian services on the Group’s cash balances. The cash balances are maintained with HSBC, and the Group utilizes its HSBC accounts for daily operating purposes. The Non-executive Director has to verify either the written instruction of the Executive Director or the resolutions of the full Board (as applicable), together with written confirmation from the Investment Manager, before approving any payments. All fund transfers and payment from the Company’s bank accounts require dual authorisation by the Operating Manager and the Non-executive Director. Bank payments can only be executed once the bank has received proper authorizations from both the Operating Manager and the Non-executive Director. As HSBC is a reputable bank, the Board considers the risk of placing the Group’s funds there to be limited.

The Board believes that the above internal control procedures are appropriate and sufficient for the Group's operations in practice.

TAXATION

The taxation of income and capital gains of the Company are subject to the fiscal law and practice of Hong Kong. Prospective investors should consult their own professional advisers on the tax implications of investing, holding or disposing of Shares under the laws of the jurisdiction in which they are liable to taxation.

BORROWING POWER

Pursuant to the provision of the Articles, the Company may exercise its borrowing power to borrow up to an aggregate principal amount for the time being remaining discharged of all money borrowed by the Group not exceeding 50% of the net asset value. The Group's assets may be charged or pledged as security for borrowing.

FOREIGN CURRENCY MANAGEMENT AND EXCHANGE CONTROL

The Group's exposures to foreign currencies mainly arises from its cash and cash equivalents in the United States Dollars and the equity investments listed on NASDAQ, which are financed internally. In order to mitigate the potential impact of currency fluctuations, the Group closely monitors its foreign currency exposures and will use suitable hedging instruments against significant foreign currency exposures, where necessary. No foreign currency hedge contract was entered into by the Group as at the Latest Practicable Date.

INVESTMENT PORTFOLIO

The following are the details of the ten largest investments and all individual investments with value exceeding 5% of the Group's gross assets as at 31 December 2025, which derived from the annual report of the Group for the year ended 31 December 2025:

Name of investee company	Notes	Number of shares held	Effective shareholding interest	Acquisition cost HK\$'000	Carrying amount as at 31 December 2025 HK\$'000	Accumulated unrealised holding gain/(loss) arising on revaluation HK\$'000	Dividend/ Coupon received/ receivable during the year HK\$'000	Percentage of carrying amount of investment to the Company's total assets as at the end of the reporting period	Classification of financial assets
Asia Strategy Digit Technology Holdings Ltd. (Formerly China Jicheng Holdings Ltd.)	(i)	14,780,000	3.58%	7,877	58,381	50,504	–	18.09%	Current equity instruments fair value through profit or loss ("FVPL")
BFB HEALTH LTD. (Formerly SEEC Media Group Ltd.)	(ii)	56,365,500	4.50%	75,183	37,765	(37,418)	–	11.71%	Current equity instruments FVPL
Rich Sparkle Holdings Limited	(iii)	170,146	1.36%	12,106	29,325	17,219	–	9.09%	Current equity instruments FVPL
First Credit Finance Group Limited	(iv)	N/A	N/A	20,000	18,407	(1,593)	150	6.71%	Debt investment at amortised cost
AMCO United Holding Limited	(v)	N/A	N/A	20,000	18,346	(1,654)	1,200	5.69%	Debt investment at amortised cost

APPENDIX IV

ADDITIONAL DISCLOSURES

Name of investee company	Notes	Number of shares held	Effective shareholding interest	Acquisition cost HK\$'000	Carrying amount as at 31 December 2025 HK\$'000	Accumulated unrealised holding gain/(loss) arising on revaluation HK\$'000	Dividend/ Coupon received/ receivable during the year HK\$'000	Percentage of carrying amount of investment to the Company's total assets as at the end of the reporting period	Classification of financial assets
AMCO United Holding Ltd.	(v)	48,372,000	5.00%	37,730	12,093	(25,637)	–	3.75%	Current equity instruments FVPL
Asia Grocery Distribution Ltd.	(vi)	49,430,000	4.25%	6,938	9,095	2,157	–	2.82%	Current equity instruments FVPL
Tai Kam Holdings Limited	(vii)	8,930,000	3.62%	3,292	8,930	5,638	–	2.77%	Current equity instruments FVPL
Milan Station Holdings Ltd.	(viii)	52,822,500	5.00%	13,896	8,874	(5,022)	–	2.75%	Current equity instruments FVPL
China National Culture Group Limited	(ix)	11,715,000	5.00%	51,521	8,435	(43,086)	–	2.61%	Current equity instruments FVPL

Notes:

- (i) Asia Strategy Digit Technology Holdings Limited (“**Asia Strategy Digit**”) formerly known as China Jicheng Holdings Ltd was incorporated in Cayman Islands and the shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (stock code: 1027). Asia Strategy Digit is principally engaged in manufacturing and sale of umbrellas and the relevant products. For the year ended 31 December 2024, the audited consolidated profit attributable to owners of Asia Strategy Digit was RMB10,829,000 with basic and diluted earnings per share of RMB2.64 cents. As at 30 June 2025, its unaudited consolidated net assets attributable to the owners was RMB247,400,000.
- (ii) BFB Health Ltd (“**BFB**”) formerly known as SEEC Media Group Limited was incorporated in Cayman Islands and the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong Limited (stock code: 205). BFB is principally engaged in the provision of advertising agency services and distribution of books and magazines in the PRC and the securities broking business, money lending business and provision of e-commerce platform services and sales of related goods in Hong Kong. For the year ended 31 December 2024, the audited consolidated loss attributable to owners of BFB was HK\$34,596,000 with basic and diluted loss per share of HK\$0.047. As at 30 June 2025, its unaudited consolidated net assets attributable to the owners was HK\$153,976,000.
- (iii) Rich Sparkle Holdings Limited (“**Rich Sparkle**”) was incorporated in British Virgin Islands and the shares of which are listed on NASDAQ (stock code: ANPA:US). Rich Sparkle Holdings Limited is principally operates as a financial printing and corporate services provider in Hong Kong. For the year ended 30 September 2025, the audited consolidated profit attributable to shareholders of Rich Sparkle was approximately US\$133,000.
- (iv) First Credit Finance Group Limited (“**First Credit**”) was incorporated in Cayman Islands and continued in Bermuda and the shares of which was listed on the GEM Board of the Stock Exchange of Hong Kong Limited (stock code: 8215) and was recently delisted on 16 January 2026. First Credit is principally engaged in the provision and arrangement of credit facilities. For the year ended 31 December 2024, the audited consolidated loss attributable to owners of First Credit was HK\$85,242,523 with basic and diluted loss per share of HK\$2.37 cents. As at 30 June 2025, its unaudited consolidated net assets attributable to the owners was HK\$36,502,369.

- (v) AMCO United Holding Limited (“**AMCO**”) was incorporated in Bermuda and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 630). AMCO is principally engaged in medical devices business, plastic moulding business, building contract works business, money lending business and securities investment. For the year ended 31 December 2024, the audited consolidated loss attributable to owners of AMCO was HK\$1,233,000 with basic and diluted loss per share of HK\$0.13 cents. As at 30 June 2025, its unaudited consolidated net assets attributable to the owners was HK\$61,276,000.
- (vi) Asia Grocery Distribution Limited (“**Asia Grocery**”) incorporated in Cayman Islands with limited liability and its shares are listed on the Stock Exchange of Hong Kong Limited (Stock code: 8413). It is principally engaged in the provision of food and beverage grocery distribution. For the financial year ended 31 March 2025, the audited consolidated profit attributable to equity holders of Asia Grocery was HK\$1,061,000 with basis and diluted earnings per share both of HK\$0.091 cents. As at 30 September 2025, its unaudited consolidated net assets attributable to the equity holder was HK\$99,555,000.
- (vii) Tai Kam Holdings Limited (“**Tai Kam**”) was incorporated in the Cayman Islands and the shares of which are listed on GEM Board of the Stock Exchange of Hong Kong Limited (stock code: 8321). Tai Kam is principally engaged in site formation works and renovation works. For the year ended 30 April 2025, the audited consolidated loss attributable to owners of Tai Kam was HK\$5,888,000 with basic and diluted loss per share of HK\$2.39 cents. As at 31 October 2025, its unaudited consolidated net assets attributable to the owners was HK\$90,247,000.
- (viii) Milan Station Holdings (“**Milan Station**”) was incorporated in Cayman Islands and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1150). Milan Station principally engaged in the retailing of handbags. For the financial year ended 31 December 2025, the audited consolidated loss attributable to owners of Milan Station was HK\$26,359,000 with basic and diluted loss per share of HK\$2.74 cents. As at 30 June 2025, its unaudited consolidated net assets attributable to the owners was HK\$61,212,000.
- (ix) China National Culture Group Limited (“**China National Culture**”) was incorporated in Cayman Islands and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 745). China National Culture principally engaged in the wholesale e-commerce business. For the financial year ended 31 March 2025, the audited consolidated loss attributable to owners of China National Culture was HK\$4,782,000 with basic and diluted loss per share of HK\$4.84 cents. As at 3 September 2025, its unaudited consolidated net assets attributable to the owners was HK\$61,450,000.

Pursuant to the requirements stipulated in Rule 21.12 of the Listing Rules, the Company did not make any provision for diminution in value of investments of the Group as at 31 December 2025.

NOTICE OF EXTRAORDINARY GENERAL MEETING



HARBOUR DIGITAL

Harbour Digital Asset Capital Limited

港灣數字產業資本有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 913)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Harbour Digital Asset Capital Limited (the “**Company**”) will be held at Portion 2, 12/F., The Center, 99 Queen’s Road Central, Central, Hong Kong on Thursday, 3 September 2026 at 11:30 a.m., or at any adjournment thereof, for the purpose of considering and, if thought fit, passing (with or without amendment) the following resolutions. Unless otherwise stated, the capitalised terms used herein shall have the same meanings as defined in the circular of the Company dated 13 August 2026 (a copy of which has been produced to the EGM marked “A” and signed by the chairman of the meeting for the purpose of identification) (the “**Circular**”), of which the notice convening the EGM shall form part.

ORDINARY RESOLUTION

“**RESOLVED THAT** subject to the fulfilment of all conditions as set out in the paragraph headed “Letter from the Board – Proposed Rights Issue – Conditions of the Rights Issue” in the Circular:

- (a) the issue of up to 532,227,024 Rights Shares (assuming full subscription under the Rights Issue and there is no change in the total number of issued Shares up to and including the Record Date other than as a result of the Capital Reorganisation) pursuant to an offer by way of rights to the Shareholders of the Company on the basis of three (3) Rights Shares for every two (2) Shares held by the Qualifying Shareholders as at the Record Date at the Subscription Price of HK\$0.140 per Rights Share, save for the Non-Qualifying Shareholders, and on and subject to such terms and conditions as may be determined by the Directors (the “**Rights Issue**”), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the placing agreement dated 26 May 2026, which is supplemented by another agreement dated 7 August 2026 (the “**Placing Agreement**”) entered into between the Company and Suncorp Securities Limited (a copy of which has been produced to the EGM marked “B” and signed by the chairman of the meeting for the purpose of identification), in relation to the placing of the Unsubscribed Rights Shares and NQS Unsold Rights Shares at the placing price of not less than the Subscription Price on a best effort basis, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (c) the Board of Directors or a committee thereof be and is hereby authorised to allot and issue the Rights Shares pursuant to or in connection with the Rights Issue notwithstanding that the Rights Shares may be offered, allotted or issued otherwise than pro rata to the Qualifying Shareholders and, in particular, any Director be and is hereby authorised to make such exclusions or other arrangements in relation to any Non-Qualifying Shareholders, and to do all such acts and things or make such arrangements as he/she considers necessary, desirable or expedient having regard any restrictions under the Memorandum and Articles of the Company or the laws of, or the rules and regulations of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong to give effect to any or all other transactions contemplated in this resolution; and
- (d) any one or more Directors be and is/are hereby authorised to do all such acts and things and execute and deliver all such documents, which are ancillary to the Rights Issue and the Placing Agreement, on behalf of the Company, including under common seal where applicable, as they may consider necessary, desirable or expedient to implement or give effect to any matters in connection with the Rights Issue, the Placing Agreement, and the transactions contemplated thereunder.”

By Order of the Board
SHUM Kit Lan Anita
Executive Director

Hong Kong, 13 August 2026

Registered office:
Cricket Square,
Hutchins Drive P.O. Box 2681,
Grand Cayman KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
Room 1006, 10th Floor, 299QRC
287-299 Queen’s Road Central
Sheung Wan, Hong Kong

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) Any member entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (2) A form of proxy for use at the EGM is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, at the office of the Company's Hong Kong share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong at least 48 hours before the time appointed for the holding of the extraordinary general meeting (or any adjournment thereof).
- (3) The register of members will be closed from Monday, 31 August 2026 to Thursday, 3 September 2026, both days inclusive, during which no transfer of shares will be registered. In order to be entitled to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Friday, 28 August 2026.
- (4) The EGM is expected to last for less than half a day. Members (in person or by proxy) attending the EGM are responsible for their own transportation and accommodation expenses. Members or their proxies attending the EGM shall present their identity certifications.
- (5) Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (6) Where there are joint holders of any shares, any one of such joint holders may vote either in person or by proxy in respect of such shares as if he/she were solely entitled thereto; but if more than one of such joint holders be present at the EGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company.
- (7) If a typhoon signal No. 8 or above is hoisted or a "black" rainstorm warning signal is in force at or at any time after 8:00 a.m. on the date of the EGM, the EGM will be adjourned. The Company will post an announcement on the website of the Company (<http://www.hdca913.com>) and the website of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (www.hkexnews.hk) to notify shareholders of the date, time and place of the adjourned meeting. The EGM will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the EGM under bad weather conditions bearing in mind their own situations.

NOTICE OF EXTRAORDINARY GENERAL MEETING

As at the date of this notice, the Board comprises:

Executive Director:

Ms. SHUM Kit Lan Anita

Non-executive Director

Mr. ZHANG Baiyan

Independent non-executive Directors:

Mr. HUNG Cho Sing

Ms. CHUNG Fai Chun

Mr. YU Tat Chi Michael

In the case of any inconsistency, the English text of this notice shall prevail over the Chinese text.