THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your Shares in **Harbour Digital Asset Capital Limited**, you should at once hand the Prospectus Documents to the purchaser(s) or the transferee(s) or to the bank manager, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s). The Prospectus Documents should not, however, be distributed, forwarded or transmitted to, into or from any jurisdiction where to do so might constitute a violation of the relevant local securities laws or regulations.

A copy of each of the Prospectus Documents, together with the other document(s) specified in the paragraph headed "14. Documents delivered to the Registrar of Companies in Hong Kong" in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies (WUMP) Ordinance. The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility as to the contents of any of the Prospectus Documents or any other document(s) referred to above.

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both 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 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 their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC and you should consult your stockbroker, a licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. 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.

Dealings in the Shares and the Rights Shares in both nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult your stockbroker or licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

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)

RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

Placing Agent to the Company

Suncorp
Securities Limited

Capitalised terms used in this cover page have the same meanings as defined in this Prospectus.

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 Prospectus. 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.

Dealings in the Rights Shares in the 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, the Rights Issue will not proceed. Any person contemplating dealing in the nil-paid Rights Shares during the period from Friday, 18 September 2026 to Friday, 25 September 2026 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed. Any person contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult his/her/its/their own professional advisers.

The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. on Wednesday, 30 September 2026. The procedures for acceptance and payment or transfer is set out on page 23 of this Prospectus.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled.

16 September 2026

CONTENTS

EXPECTED TIMETABLE

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

Event	Date and time
First day of dealings in nil-paid Rights Shares in the board lot size of 10,000 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 in the board lot size of 10,000 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
First day of dealings in the fully-paid Rights Shares in the board lot size of 10,000 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

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 prospectus may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the excepted timetable as soon as practicable.

In this prospectus, 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
"CCASS Operational Procedures"	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
"Circular"	the circular of the Company dated 13 August 2026 in relation to the Rights Issue and the Placing
"Companies (WUMP) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
"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 prospectus

"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
"EGM"	the extraordinary general meeting of the Company held at 11:30 a.m. on Thursday, 3 September 2026, at which the Rights Issue and Placing be approved
"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
"General Rules of CCASS"	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
"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 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

"Investment Management Agreement"	the investment management agreement dated 11 March 2025 entered into between the Company and the Investment Manager
"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"	9 September 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus 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

"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

"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 prospectus 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"	this prospectus issued by the Company in relation to the Rights Issues
"Prospectus Documents"	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

"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
"substantial shareholder(s)"	has the meaning as ascribed thereto under the Listing Rules
"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

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:
Cricket Square
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

16 September 2026

To the Qualifying Shareholders and,
for information only, the Non-Qualifying Shareholders (if any)

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 and the Circular in relation to the Rights Issue and the Placing.

The purpose of this Prospectus is to provide you with, among other things, further details on the Rights Issue, certain financial information and other general information of the Group.

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.

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 16.2% to the closing price of HK$0.167 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

(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" below.

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.

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 prospectus; 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.

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.

None of the above conditions precedent can be waived. As at the Latest Practicable Date, the above condition (i) has been fulfilled, and none of the other 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.

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company.

If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company may be diluted.

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.

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.

The Overseas Shareholders

The Prospectus Documents will not be registered or filed under the applicable securities law of any jurisdiction other than Hong Kong. If, at the close of business on the Record Date, a Shareholder's address on the Company's register of members is in a place outside Hong Kong, such Shareholder may not be eligible to take part in the Rights Issue. Based on the latest available register of members of the Company as at the Latest Practicable Date, there were 240 Shareholders with registered address situated in the PRC, who held 10,637,500 Shares in aggregate, representing approximately 3.0% of the issued share capital of the Company as at the Latest Practicable Date. Save for the aforementioned Shareholders with registered addresses in the PRC, based on the latest available register of members of the Company as at the Latest Practicable Date, there were no other Shareholders with registered addresses outside Hong Kong.

Pursuant to Rule 13.36(2)(a) of the Listing Rules, the Company has made necessary enquiries regarding the feasibility of extending the Rights Issue to Overseas Shareholders regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory bodies or stock exchanges. The Company has obtained advice from legal advisers in the PRC and has been advised that there are no restrictions under securities law or other similar laws in the PRC or requirement of any regulatory body or stock exchange in the PRC which would prevent the Company from extending the Rights Issue to the Overseas Shareholders in the PRC. Based upon such advice, the Overseas Shareholders having registered address in the PRC will not be excluded from the Rights Issue and shall therefore be the Qualifying Shareholders. Accordingly, the Rights Issue will be extended to such Overseas Shareholders having registered address in the PRC.

Overseas Shareholders should note that they may or may not be able to participate in the Rights Issue, subject to the results of enquiries made by the Company pursuant to the notes to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities laws or other laws or regulations of any territory or jurisdiction. The Rights Issue does not constitute any offer or invitation to sell, issue or solicit for Shares in any jurisdiction in which such actions are unlawful or otherwise restricted. Accordingly, Overseas Shareholders should inform themselves of and observe any such restrictions, if applicable, and exercise caution when dealing in the Shares.

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 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.
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.

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.

As at the Latest Practicable Date, condition (ii) has been fulfilled, and conditions (i), (iii) and (iv) are yet to be fulfilled.

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.

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.

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, the Company has appointed the Placing Agent 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 of odd lots of the Shares who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up to a full board lot may contact their brokers, Mr. Rick FAN of Suncorp Securities Limited at Room 2305, 23/F, The Center, 99 Queen's Road Central, Hong Kong (telephone number: (852) 3899 1888) during office hours i.e. 9:00 a.m. to 12:00 noon and 1:00 p.m. to 4:00 p.m.) for the period from Monday, 2 November 2026 to Thursday, 19 November 2026 (both days inclusive). 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 lot arrangement is recommended to consult his/her/its own professional advisers.

Fractions of Rights Shares

The Company will not provisionally allot fractions of Rights Shares in nil-paid form to the Qualifying Shareholders and no entitlements of the Non-Qualifying Shareholders to the Rights Shares shall be issued to the Non-Qualifying Shareholders. All fractions of Rights Shares will be aggregated (and rounded down to the nearest whole number of a Share) and all nil-paid Rights Shares arising from such aggregation will be sold in the market for the benefit of the Company if a premium (net of expenses) can be achieved.

Application for listing of the Rights Shares

The Company has applied 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.

Application for the Rights Shares

The Rights Issue will only be available to the Qualifying Shareholders. The Company will despatch and/or make available the Prospectus to the Qualifying Shareholders in electronic form, while the PAL will be sent in printed copies. For the Non-Qualifying Shareholders, the Company will despatch and/or make available the Prospectus in electronic form to them for their information only, but no PAL will be sent to the Non-Qualifying Shareholders.

The PALs in printed copies will be sent to the Qualifying Shareholders entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares as shown therein by completing such form(s) and lodging the same with separate remittance for the Rights Shares being applied for with the Registrar by the Latest Time for Acceptance.

Procedures for acceptance and payment or transfer

The PALs in printed copies will be sent to the Qualifying Shareholders entitling the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein. If a Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to him/her/it as specified in the PAL, he/she/it must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by not later than 4:00 p.m. on Wednesday, 30 September 2026. All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "**TRICOR INVESTOR SERVICES LIMITED – CLIENT A/C NO. 129**" and crossed "**ACCOUNT PAYEE ONLY**".

It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Wednesday, 30 September 2026, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicants at a later stage.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL or to transfer part or all of his/her/its rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Tuesday, 22 September 2026 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier's order, whether by a Qualifying Shareholder or by any nominated transferee(s), will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

If the conditions of the Rights Issue as set out in the section headed "Conditions of the Rights Issue" above are not fulfilled, the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in their nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Friday, 30 October 2026.

No receipt will be issued in respect of any application monies received.

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.

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.

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 prospectus.

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.

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 *(Director)*	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%
	354,818,016	100.00%	887,045,040	100.00%	887,045,040	100.00%	354,818,016	100.00%

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 announcement of the proposed Rights Issue published on 26 May 2026, 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. The Rights Issue has been approved at the EGM held on 3 September 2026.

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. As at Latest Practicable Date, save for the Rights Issue and the Placing, the Company did not have any plan and had not entered into any negotiation, agreement, arrangement or undertaking to conduct any other corporate action or arrangement that may affect the trading of the Company's shares in the next 12 months.

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

The Shares have been dealt in on an ex-rights basis from Monday, 7 September 2026. Dealings in the Rights Shares in nil-paid form are expected to take place from Friday, 18 September 2026 to Friday, 25 September 2026 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Please refer to the section headed "Conditions of the Rights Issue" in this Prospectus above.

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the acceptance of the provisionally allotted Rights Shares. Any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed to independent placees on a best effort basis through the Placing. 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.

Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any Shareholder or other person dealings in the Shares and/or the nil-paid Rights Shares up to the time at which the Rights Issue becomes unconditional will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. 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).

ADDITIONAL INFORMATION

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

MISCELLANEOUS

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

Yours faithfully,
For and on behalf of the Board
Harbour Digital Asset Capital Limited
SHUM Kit Lan Anita
Executive Director

A. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the three years ended 31 December 2023, 2024 and 2025, and the six months ended 30 June 2026 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

(iv) the unaudited consolidated financial statements of the Group for the six months ended 30 June 2026 is disclosed in the interim report of the Company for the six months ended 30 June 2026 published on 7 September 2026, from pages 4 to 20:
https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0907/2026090700277.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 31 July 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 31 July 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 Prospectus.

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. LITIGATION

As at the Latest Practicable Date, no member of the Group was involved in any litigation or claims of material importance and no litigation or claims of material importance were known to the Directors to be pending or threatened against any member of the Group.

F. 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.

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 30 June 2026 (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 30 June 2026, 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 30 June 2026 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 unaudited consolidated statement of financial position of the Group as at 30 June 2026 as extracted from the published interim report of the Company for the six months ended after incorporating the adjustments described in the accompanying notes.

	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2026	Unaudited estimated net proceeds from the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of the Company as at 30 June 2026 immediately after completion of the Rights Issue	Unaudited consolidated net tangible assets attributable to owners of the Company per Share immediately before completion of the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share as at 30 June 2026 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	319,507	73,136	392,643	0.90	0.44

Notes:

1. The unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2026 were approximately HK$319,507,000, which has been extracted from the unaudited consolidated statement of financial position of the Group as at 30 June 2026, as shown on the published interim report of the Company for the six months ended 30 June 2026 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 30 June 2026.

4. The calculation of unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2026 per Share before the completion of the Rights Issue is based on the unaudited consolidated net tangible assets of the Group as at 30 June 2026 of approximately HK$319,507,000, divided by 354,818,016 Shares.

5. The calculation of unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2026 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 30 June 2026 immediately after the completion of the Rights Issue of approximately HK$392,643,000, being the aggregate unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2026 of approximately HK$319,507,000 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 30 June 2026.

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 30 June 2026.

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 Prospectus.

elite partners

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 30 June 2026, and related notes (the "**Unaudited Pro Forma Financial Information**") as set out in Appendix II of the prospectus dated 16 September 2026 issued by the Company (the "**Prospectus**"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in the Prospectus.

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 30 June 2026 as if the Rights Issue had taken place as at 30 June 2026. 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 30 June 2026, 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**").

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.

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 prospectus, 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 Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

2. SHARE CAPITAL

(a) Share capital as at the Latest Practicable Date

Authorised:		*HK$*
2,000,000,000,000	Shares of HK$0.001 each	2,000,000,000
Issued and fully paid:		*HK$*
354,818,016	Shares of HK$0.001 each	354,818.02

(b) Upon completion of the Rights Issue

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

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 Prospectus.

9. EXPERTS AND CONSENTS

The following is the qualification of the experts or professional advisers who have given opinion or advice contained in this Prospectus (the "**Expert**"):

Name	Qualification
Elite Partners CPA Limited	Certified Public Accountants

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

As at the Latest Practicable Date, the Expert did not have 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, the Expert did not have 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	*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
Audit committee	Mr. YU Tat Chi Michael *(Chairman)* Mr. HUNG Cho Sing Ms. CHUNG Fai Chun
Nomination committee	Mr. HUNG Cho Sing *(Chairman)* Ms. CHUNG Fai Chun Mr. YU Tat Chi Michael
Remuneration committee	Mr. HUNG Cho Sing *(Chairman)* 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 *(associate of The Hong Kong Chartered Governance Institute)*

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
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 Independent non-executive Director in December 2014. Ms. CHUNG 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, was appointed as an independent non-executive Director in August 2020. Mr. YU 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 DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent as referred to in the paragraph headed "9. Experts and consents" in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies (WUMP) Ordinance.

15. BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all provisions (other than the penal provisions) of sections 44A and 44B of the Companies (WUMP) Ordinance, so far as applicable.

16. 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 Prospectus up to and including the date of the EGM:

(a) the Placing Agreement;

(b) the letter from the Board, the text of which is set out on pages 9 to 29 of this Prospectus;

(c) 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 Prospectus;

(d) the written consents referred to in paragraph headed "9. Experts and consents" of this appendix; and

(e) the Prospectus Documents.

17. 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 Prospectus 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, 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 with 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	Carrying amount as at 31 December 2025	Accumulated unrealised holding gain/(loss) arising on revaluation	Dividend/ Coupon received/ receivable during the year	Percentage of carrying amount of investment to the Company's total assets as at the end of the reporting period	Classification of financial assets
				HK$'000	*HK$'000*	*HK$'000*	*HK$'000*		
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

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.