



## ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF HASHKEY HOLDINGS LIMITED, GUOTAI JUNAN CAPITAL LIMITED AND J.P. MORGAN SECURITIES (FAR EAST) LIMITED

### Introduction

We report on the historical financial information of HashKey Holdings Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages I-4 to I-85, which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2022, 2023 and 2024 and 30 June 2025 and the consolidated statements of profit or loss, the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated cash flow statement for each of the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2025 (the “**Track Record Period**”), and material accounting policy information and other explanatory information (together, the “**Historical Financial Information**”). The Historical Financial Information set out on pages I-4 to I-85 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 9 December 2025 (the “**Prospectus**”) in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

### Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

### Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “Accountants’ Reports on Historical Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Opinion**

In our opinion, the Historical Financial Information gives, for the purpose of the accountants' report, a true and fair view of the Company's and the Group's financial position as at 31 December 2022, 2023 and 2024 and 30 June 2025 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information.

## **Review of stub period corresponding financial information**

We have reviewed the stub period corresponding financial information of the Group which comprises the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the six months ended 30 June 2024 and other explanatory information (the "**Stub Period Corresponding Financial Information**"). The directors of the Company are responsible for the preparation and presentation of the Stub Period Corresponding Financial Information in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Corresponding Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA. A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has

come to our attention that causes us to believe that the Stub Period Corresponding Financial Information, for the purpose of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information.

**Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Companies (Winding Up and Miscellaneous Provisions) Ordinance**

***Adjustments***

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

***Dividends***

We refer to Note 34(b) to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

***No statutory financial statements for the Company***

No statutory financial statements have been prepared for the Company since its incorporation.

**KPMG**

*Certified Public Accountants*

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

9 December 2025

## **HISTORICAL FINANCIAL INFORMATION**

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by KPMG under separate terms of engagement with the Company in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the “**Underlying Financial Statements**”).

# **CONSOLIDATED STATEMENTS OF PROFIT OR LOSS**

(Expressed in Hong Kong dollars)

	Note	Year ended 31 December			Six months ended 30 June	
		2022	2023	2024	2024	2025
		HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
<b>Revenue</b> . . . . .	4	129,064	207,792	720,731	384,186	283,967
Cost of revenue . . . . .	5	(3,571)	(12,431)	(188,218)	(105,810)	(99,489)
<b>Gross profit</b> . . . . .		125,493	195,361	532,513	278,376	184,478
Other (loss)/gains, net . . .	6	(167,419)	8,265	39,908	(27,773)	(59,468)
Research and development expenses . . . . .		(247,185)	(324,065)	(556,661)	(258,397)	(225,232)
Sales and marketing expense . . . . .		(79,391)	(146,735)	(390,099)	(190,445)	(181,398)
General and administrative expenses.		(181,314)	(258,998)	(632,960)	(472,013)	(120,797)
<b>Loss from operations</b> . . .		(549,816)	(526,172)	(1,007,299)	(670,252)	(402,417)
Finance costs . . . . .	7(a)	(21,572)	(36,270)	(169,278)	(90,513)	(87,993)
Share of net loss from an associate . . . . .		(12,601)	(13,525)	(6,893)	(8,943)	(14,290)
<b>Loss before taxation</b> . . .	7	(583,989)	(575,967)	(1,183,470)	(769,708)	(504,700)
Income tax . . . . .	8	(1,205)	(3,985)	(6,137)	(2,901)	(2,046)
<b>Loss for the year/period</b> .		<u>(585,194)</u>	<u>(579,952)</u>	<u>(1,189,607)</u>	<u>(772,609)</u>	<u>(506,746)</u>
<b>Attributable to:</b>						
Equity shareholders of the Company . . . . .		(584,706)	(580,412)	(1,188,993)	(776,977)	(506,314)
Non-controlling interests .		<u>(488)</u>	<u>460</u>	<u>(614)</u>	<u>4,368</u>	<u>(432)</u>
<b>Loss for the year/period</b> .		<u>(585,194)</u>	<u>(579,952)</u>	<u>(1,189,607)</u>	<u>(772,609)</u>	<u>(506,746)</u>
<b>Loss per share</b>						
Basic and diluted (HK\$). .	11	<u>HK\$(0.55)</u>	<u>HK\$(0.43)</u>	<u>HK\$(0.88)</u>	<u>HK\$(0.57)</u>	<u>HK\$(0.38)</u>

The accompanying notes form part of the Historical Financial Information.

# **CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

(Expressed in Hong Kong dollars)

Note	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
				(unaudited)	
<b>Loss for the year/period .</b>	<u>(585,194)</u>	<u>(579,952)</u>	<u>(1,189,607)</u>	<u>(772,609)</u>	<u>(506,746)</u>
<b>Other comprehensive income for the year/period</b>					
Items that will not be reclassified to profit or loss:					
– (Loss)/gain on revaluation of intangible assets – digital assets . . . . .	(191,847)	28,547	54,698	56,163	(34,271)
Items that are or may be reclassified subsequently to profit or loss:					
– exchange differences on translation . . . . .	<u>1,302</u>	<u>3,960</u>	<u>(3,199)</u>	<u>1,279</u>	<u>(1,822)</u>
<b>Other comprehensive income for the year/period, net of tax . . . . .</b>	<u>(190,545)</u>	<u>32,507</u>	<u>51,499</u>	<u>57,442</u>	<u>(36,093)</u>
<b>Total comprehensive income for the year/period . . . . .</b>	<u>(775,739)</u>	<u>(547,445)</u>	<u>(1,138,108)</u>	<u>(715,167)</u>	<u>(542,839)</u>
<b>Attributable to:</b>					
Equity shareholders of the Company . . . . .	(775,245)	(548,129)	(1,137,757)	(718,347)	(541,590)
Non-controlling interests .	<u>(494)</u>	<u>684</u>	<u>(351)</u>	<u>3,180</u>	<u>(1,249)</u>
<b>Total comprehensive income for the year/period . . . . .</b>	<u>(775,739)</u>	<u>(547,445)</u>	<u>(1,138,108)</u>	<u>(715,167)</u>	<u>(542,839)</u>

The accompanying notes form part of the Historical Financial Information.

# **CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Expressed in Hong Kong dollars)

		At 31 December			At 30 June
	Note	2022	2023	2024	2025
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Non-current assets</b>					
Property, plant and equipment . . . .	12	110,794	88,956	71,832	56,055
Intangible assets – others . . . . .	13(b)	3,216	11,107	85,985	78,292
Interest in an associate . . . . .	14	24,243	41,955	97,100	82,810
Prepayments, deposits and other receivables . . . . .	15	13,726	13,559	13,938	11,792
Financial assets at fair value through profit or loss ("FVTPL") . . . . .	16	447,603	447,603	388,414	388,414
		<u>599,582</u>	<u>603,180</u>	<u>657,269</u>	<u>617,363</u>
<b>Current assets</b>					
Trade receivables . . . . .	17	–	6,850	28,056	27,051
Digital assets receivables . . . . .	18	4,179	1,875	2,375	1,272
Prepayments, deposits and other receivables . . . . .	15	38,243	52,428	45,347	58,067
Amounts due from related parties . .	36(d)	14,923	25,318	24,947	32,272
Financial assets at FVTPL . . . . .	16	–	–	28,743	20,216
Intangible assets – digital assets . .	13(a)	118,650	166,377	229,890	155,679
Inventory – digital assets . . . . .	19	–	–	44,382	49,247
Digital assets at FVTPL . . . . .	20	60,150	300,869	246,011	249,604
Derivative . . . . .	21	–	37,889	–	–
Cash and cash equivalents . . . . .	22	242,423	344,490	306,796	396,588
		<u>478,568</u>	<u>936,096</u>	<u>956,547</u>	<u>989,996</u>
<b>Current liabilities</b>					
Trade payables . . . . .	23	50,539	45,010	10,128	6,158
Digital assets payables . . . . .	24	24,859	228,393	157,849	169,259
Accruals and other payables . . . . .	25	87,459	167,658	340,681	309,271
Amounts due to related parties . . .	36(d)	347,174	240,446	432,116	430,218
Contract liabilities . . . . .	26	–	–	63,499	188,917
Lease liabilities . . . . .	27	15,675	15,206	16,947	15,453
Tax payables . . . . .		10,942	14,926	20,718	22,764
Borrowings . . . . .	28	–	13,861	–	–
Redemption liabilities . . . . .	30	140,243	1,000,202	1,284,493	1,725,076
		<u>676,891</u>	<u>1,725,702</u>	<u>2,326,431</u>	<u>2,867,116</u>
<b>Net current liabilities . . . . .</b>		<u>(198,323)</u>	<u>(789,606)</u>	<u>(1,369,884)</u>	<u>(1,877,120)</u>

	<i>Note</i>	<b>At 31 December</b>			<b>At 30 June</b>
		<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Total assets less current liabilities . . . . .</b>		<u>401,259</u>	<u>(186,426)</u>	<u>(712,615)</u>	<u>(1,259,757)</u>
<b>Non-current liabilities</b>					
Accruals and other payables . . . . .	25	4,410	4,630	5,319	5,470
Amounts due to related parties . . . .	36(d)	–	297,122	287,194	295,258
Lease liabilities . . . . .	27	57,034	42,214	28,907	18,637
Convertible bonds . . . . .	29	333,192	–	–	–
Digital assets payables . . . . .	24	–	–	18,423	2,705
		<u>394,636</u>	<u>343,966</u>	<u>339,843</u>	<u>322,070</u>
<b>NET ASSETS/(LIABILITIES) . . .</b>		<u>6,623</u>	<u>(530,392)</u>	<u>(1,052,458)</u>	<u>(1,581,827)</u>
<b>CAPITAL AND RESERVES</b>					
Share capital . . . . .	34(c)	106	106	106	106
Reserves . . . . .	34	<u>6,403</u>	<u>(531,584)</u>	<u>(1,071,915)</u>	<u>(1,600,035)</u>
<b>Total equity/(deficit) attributable to equity shareholders of the Company . . . . .</b>		<u>6,509</u>	<u>(531,478)</u>	<u>(1,071,809)</u>	<u>(1,599,929)</u>
Non-controlling interests . . . . .		<u>114</u>	<u>1,086</u>	<u>19,351</u>	<u>18,102</u>
<b>TOTAL EQUITY/(DEFICIT) . . . .</b>		<u>6,623</u>	<u>(530,392)</u>	<u>(1,052,458)</u>	<u>(1,581,827)</u>

The accompanying notes form part of the Historical Financial Information.



# STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

(Expressed in Hong Kong dollars)

		At 31 December			At 30 June
	Note	2022	2023	2024	2025
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Non-current assets</b>					
Investment in subsidiaries . . . . .	37	1,095	1,095	44,465	44,465
Interest in an associate . . . . .	14	46,585	77,823	77,823	77,823
		47,680	78,918	122,288	122,288
<b>Current assets</b>					
Derivative . . . . .	21	—	37,889	—	—
Other receivables . . . . .	15	23,427	—	—	—
Amounts due from related parties . .	31	544,803	895,704	1,142,597	1,522,015
Cash and cash equivalents . . . . .	22	—	39,108	101	164
		568,230	972,701	1,142,698	1,522,179
<b>Current liabilities</b>					
Accruals and other payables . . . . .		—	—	85	4
Redemption liabilities . . . . .	30	—	850,434	1,126,301	1,560,411
		—	850,434	1,126,386	1,560,415
<b>Net current assets/(liabilities) . . . .</b>		568,230	122,267	16,312	(38,236)
<b>Total assets less current liabilities</b>					
		615,910	201,185	138,600	84,052
<b>Non-current liability</b>					
Convertible bonds . . . . .	29	333,192	—	—	—
<b>NET ASSETS . . . . .</b>		282,718	201,185	138,600	84,052
<b>CAPITAL AND RESERVES</b>					
Share capital . . . . .	34(c)	106	106	106	106
Reserves . . . . .	34	282,612	201,079	138,494	83,946
<b>TOTAL EQUITY . . . . .</b>		282,718	201,185	138,600	84,052

The accompanying notes form part of the Historical Financial Information.

(Expressed in Hong Kong dollars)

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Attributable to the equity shareholders of the Company

	Share capital (Note 34(c)) HK\$'000	Share premium (Note 34(d)(iii)) HK\$'000	Other reserves (Note 34(d)(i)) HK\$'000	Re-valuation reserve (Note 34(d)(ii)) HK\$'000	Retained earnings/ earnings/ (Accumulated Losses) HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total equity/(deficit) HK\$'000
<b>At 1 January 2023</b> . . . . .	106	291,267	10,942	4,154	(299,960)	6,509	114	6,623
(Loss)/profit for the year . . . . .	–	–	–	–	(580,412)	(580,412)	460	(579,952)
Other comprehensive income . . . . .	–	–	3,736	28,547	–	32,283	224	32,507
Total comprehensive income for the year . . .	–	–	3,736	28,547	(580,412)	(548,129)	684	(547,445)
Equity-settled share-based payments under share option scheme (Note 32) . . . . .	–	–	10,430	–	–	10,430	–	10,430
Transaction with non-controlling interests . . .	–	–	(288)	–	–	(288)	288	–
Transfer of revaluation reserve upon disposal of intangible assets – digital assets . . . . .	–	–	–	(4,304)	4,304	–	–	–
	–	–	13,878	24,243	(576,108)	(537,987)	972	(537,015)
	–	–	–	–	–	–	–	–
<b>At 31 December 2023</b> . . . . .	106	291,267	24,820	28,397	(876,068)	(531,478)	1,086	(530,392)

**Attributable to the equity shareholders of the Company**

	Share capital (Note 34(c)) HK\$'000	Share premium (Note 34(d)(iii)) HK\$'000	Other reserves (Note 34(d)(i)) HK\$'000	Re-valuation reserve (Note 34(d)(ii)) HK\$'000	Retained earnings/ earnings/ (Accumulated Losses) HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total equity/(deficit) HK\$'000
<b>At 1 January 2024</b> . . . . .	106	291,267	24,820	28,397	(876,068)	(531,478)	1,086	(530,392)
Loss for the year . . . . .	–	–	–	–	(1,188,993)	(1,188,993)	(614)	(1,189,607)
Other comprehensive income . . . . .	–	–	(3,462)	54,698	–	51,236	263	51,499
Total comprehensive income for the year . . .	–	–	(3,462)	54,698	(1,188,993)	(1,137,757)	(351)	(1,138,108)
Equity-settled share-based payments under share option scheme (Note 32). . . . .	–	–	566,208	–	–	566,208	–	566,208
Acquisition of non-wholly owned subsidiary (Note 21). . . . .	–	–	–	–	–	–	18,616	18,616
Issuance of preferred shares (Note 30) . . . . .	–	–	31,218	–	–	31,218	–	31,218
Transfer of revaluation reserve upon disposal of intangible assets – digital assets . . . . .	–	–	–	(29,337)	29,337	–	–	–
	–	–	593,964	25,361	(1,159,656)	(540,331)	18,265	(522,066)
	–	–	–	–	–	–	–	–
<b>At 31 December 2024</b> . . . . .	106	291,267	618,784	53,758	(2,035,724)	(1,071,809)	19,351	(1,052,458)

**Attributable to the equity shareholders of the Company**

	Share capital (Note 34(c)) HK\$'000	Share premium (Note 34(d)(iii)) HK\$'000	Other reserves (Note 34(d)(i)) HK\$'000	Re-valuation reserve (Note 34(d)(ii)) HK\$'000	Retained earnings/ (Accumulated Losses) HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total equity/(deficit) HK\$'000
<b>At 1 January 2025</b> . . . . .	106	291,267	618,784	53,758	(2,035,724)	(1,071,809)	19,351	(1,052,458)
Loss for the period . . . . .	-	-	-	-	(506,314)	(506,314)	(432)	(506,746)
Other comprehensive income . . . . .	-	-	(1,005)	(34,271)	-	(35,276)	(817)	(36,093)
Total comprehensive income for the period . .	-	-	(1,005)	(34,271)	(506,314)	(541,590)	(1,249)	(542,839)
Equity-settled share-based payments under share option scheme (Note 32) . . . . .	-	-	2,571	-	-	2,571	-	2,571
Issuance of preferred shares (Note 30) . . . . .	-	-	10,899	-	-	10,899	-	10,899
Transfer of revaluation reserve upon disposal of intangible assets – digital assets . . . . .	-	-	-	(2,585)	2,585	-	-	-
<b>At 30 June 2025</b> . . . . .	106	291,267	631,249	16,902	(2,539,453)	(1,599,929)	18,102	(1,581,827)

Attributable to the equity shareholders of the Company

<i>(Unaudited)</i>	Share capital	Share premium	Other reserves	Re-valuation reserve	Retained earnings/ (Accumulated Losses)	Sub-total	Non-controlling interests	Total equity/(deficit)
	<i>(Note 34(c))</i>	<i>(Note 34(d)(iii))</i>	<i>(Note 34(d)(i))</i>	<i>(Note 34(d)(ii))</i>				
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 1 January 2024</b> . . . . .	106	291,267	24,820	28,397	(876,068)	(531,478)	1,086	(530,392)
(Loss)/profit for the period. . . . .	–	–	–	–	(776,977)	(776,977)	4,368	(772,609)
Other comprehensive income . . . . .	–	–	2,467	56,163	–	58,630	(1,188)	57,442
Total comprehensive income for the period . .	–	–	2,467	56,163	(776,977)	(718,347)	3,180	(715,167)
Equity-settled share-based payments under share option scheme . . . . .	–	–	500,236	–	–	500,236	–	500,236
Issuance of preferred shares . . . . .	–	–	14,266	–	–	14,266	–	14,266
Transfer of revaluation reserve upon disposal of intangible assets – digital assets . . . . .	–	–	–	(21,004)	21,004	–	–	–
<b>At 30 June 2024</b> . . . . .	106	291,267	541,789	63,556	(1,632,041)	(735,323)	4,266	(731,057)

The accompanying notes form part of the Historical Financial Information.

# **CONSOLIDATED CASH FLOW STATEMENTS**

(Expressed in Hong Kong dollars)

		Year ended 31 December			Six months ended 30 June	
	Note	2022	2023	2024	2024	2025
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
					(unaudited)	
<b>Operating activities</b>						
<b>Net cash used in</b>						
<b>operating activities . . .</b>	33(a)	(143,467)	(273,717)	(183,313)	(124,384)	(266,340)
<b>Investing activities</b>						
Interest received . . . . .		802	6,600	21,631	8,268	20,362
Acquisition of intangible assets . . . . .		(1,062)	(9,026)	–	–	(1,419)
Acquisition of property, plant and equipment . . .		(6,984)	(6,944)	(5,616)	(5,616)	(1,349)
Proceeds from disposal of property, plant and equipment . . . . .		–	–	14	–	–
Capital injection to an associate . . . . .		–	(31,238)	(21,627)	–	–
Purchase of financial asset at FVTPL . . . . .		–	–	(3,912)	–	–
<b>Net cash (used in)/ generated from investing activities . . .</b>		(7,244)	(40,608)	(9,510)	2,652	17,594
<b>Financing activities</b>						
Capital element of lease rentals paid . . . . .	33(b)	(9,812)	(15,584)	(17,094)	(8,373)	(7,616)
Interest element of lease rentals paid . . . . .	33(b)	(3,886)	(3,423)	(2,786)	(1,430)	(1,057)
Proceeds from/(repayment of) borrowing from related parties, net . . . .	33(b)	6,844	217,834	102,646	60,314	(12,007)
Proceeds from borrowings . . . . .	33(b)	–	119,338	–	–	–
Repayment for borrowings . . . . .	33(b)	–	(106,011)	–	–	–
Proceeds from issuance of convertible bonds . . . . .	33(b)	235,463	–	–	–	–
Proceeds from issuance of preferred shares . . . . .	33(b)	117,132	203,194	71,105	889	361,100
<b>Net cash generated from financing activities . . .</b>		345,741	415,348	153,871	51,400	340,420

<i>Note</i>	<b>Year ended 31 December</b>			<b>Six months ended 30 June</b>	
	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>	<b>2025</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i> <i>(unaudited)</i>	<i>HK\$'000</i>
<b>Net increase/(decrease) in cash and cash equivalents . . . . .</b>	195,030	101,023	(38,952)	(70,332)	91,674
<b>Cash and cash equivalents at the beginning of the year/period . . . . .</b>	47,809	242,423	344,490	344,490	306,796
Effects of exchange rate changes on cash and cash equivalents . . . . .	<u>(416)</u>	<u>1,044</u>	<u>1,258</u>	<u>897</u>	<u>(1,882)</u>
<b>Cash and cash equivalents at the end of the year/period . . . .</b>	22 <u>242,423</u>	<u>344,490</u>	<u>306,796</u>	<u>275,055</u>	<u>396,588</u>

The accompanying notes form part of the Historical Financial Information.



## NOTES TO THE HISTORICAL FINANCIAL INFORMATION

### 1 BASIS OF PREPARATION AND PRESENTATION OF THE HISTORICAL FINANCIAL INFORMATION

HashKey Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 2 January 2019 as an exempted company with limited liability under the Companies Act (As Revised) of the Cayman Islands.

The Company is an investment holding company and has not carried on any business operation since the date of its incorporation. The Company and its subsidiaries (together, “the Group”) are principally engaged in digital asset exchange platforms, brokerage services, management of venture capital funds, Web 3 infrastructure services business and technology services.

As at 30 June 2025, the Group had net current liabilities and net liabilities of HK\$1,877,120,000 and HK\$1,581,827,000, respectively. Based on cashflow projections of the Group, including (i) the issuance of preferred shares for approximately HK\$1,681,298,000 as disclosed in Note 38(i) and (ii) the assumption that redemption events of redemption liabilities would not be triggered in the foreseeable future, the Directors are of the opinion that the Group has sufficient financial resources to continue as a going concern for the foreseeable future.

Accordingly, the directors of the Company consider it is appropriate to prepare the Historical Financial Information on a going concern basis.

The Historical Financial Information has been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”). Further details of the material accounting policy information are set out in Note 2.

The IASB has issued a number of new and revised IFRS Accounting Standards during the Track Record Period. For the purpose of preparing the Historical Financial Information, the Group has adopted all applicable new and revised IFRS Accounting Standards to the Track Record Period, except for any new standards or interpretations that are not yet effective for the accounting period beginning 1 January 2025. The revised and new accounting standards and interpretations issued but not yet effective for the accounting year beginning 1 January 2025 are set out in Note 40.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information.

The Stub Period Corresponding Financial Information has been prepared in accordance with the same basis of preparation and presentation adopted in respect of the Historical Financial Information.

The Historical Financial Information and the Stub Period Corresponding Financial Information are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

### 2 MATERIAL ACCOUNTING POLICY INFORMATION

#### (a) Basis of measurement

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

- financial assets at fair value through profit or loss (see Note 2(e));
- convertible bonds (see Note 2(o));
- derivatives (see Note 2(e));

- digital assets at fair value through profit or loss (see Note 2(i)(a)(a));
- intangible assets — digital assets (see Note 2(i)(a)(c));
- digital assets receivables (see Note 2(i)(a)(e)); and
- digital assets payables (see Note 2(i)(a)(e)).

**(b) Use of estimates and judgements**

The preparation of Historical Financial Information in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the Historical Financial Information and major sources of estimation uncertainty are discussed in Note 3.

**(c) Subsidiaries and non-controlling interests**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered. The financial statements of subsidiaries are included in the Historical Financial Information from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Non-controlling interests are presented in the Historical Financial Information within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 2(e)) or, when appropriate, the cost on initial recognition of an interest in an associate or joint venture (see Note 2(d)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(h)(b)).

**(d) Associates**

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An interest in an associate is accounted for in the Historical Financial Information under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see Note 2(h)(b)). At each reporting date, the Group assesses whether there is any objective evidence that the investment is impaired. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated other comprehensive income.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 2(e)).

In the Company's statement of financial position, interest in associates are stated at cost less impairment losses (see Note 2(h)(b)).

**(e) Financial assets**

The Group initially recognises financial instruments on trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument on initial recognition is generally its transaction price.

On initial recognition, a financial asset is classified as measured at: amortised cost or FVTPL.

***Amortised cost***

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows;
- and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI").

Expected credit losses (see Note 2(h)(a)), interest income calculated using the effective interest method, foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

## ***FVTPL***

All other financial assets, including derivatives, are classified as measured at FVTPL. The instruments are subsequently measured at fair value with changes therein recognised in profit or loss. In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

### **(f) Property, plant and equipment**

Property, plant and equipment, including right-of-use assets, are stated at cost less accumulated depreciation and any accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The estimated useful lives for the Tracked Record Period are as follows:

Furniture and fixtures . . . . .	5 years
Computer equipment . . . . .	5 years
Right-of-use assets . . . . .	over the lease terms
Leasehold improvement . . . . .	over the lease terms

The assets' residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

### **(g) Leases**

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Note 2(h)(b)).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets. Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the Historical Financial Information, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

#### **(h) Credit losses and impairment of assets**

##### ***(a) Credit losses from financial instruments***

The Group recognises a loss allowance for expected credit losses ("ECL"s) on financial assets measured at amortised cost (including trade receivables, deposits and other receivables, amounts due from related parties and cash and cash at equivalents).

##### *Measurement of ECLs*

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

The expected cash shortfalls are discounted using the effective interest rate determined at initial recognition or an approximation thereof if the effect is material. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on either of the following bases:

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

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

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

Loss allowances for trade receivables under IFRS 15 without a significant financing components are always measured at an amount equal to lifetime ECLs.

#### *Significant increases in credit risk*

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

The Group considers a financial asset to be in default when: (i) the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due.

ECLs are remeasured at each reporting date with any changes recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss with a corresponding adjustment to the carrying amount of the financial assets through a loss allowance account.

#### *Credit-impaired financial assets*

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

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

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or being more than 90 days past due; the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

#### *Write-off policy*

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor/counterparties does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

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

#### **(b) Impairment of other non-financial assets**

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and digital assets measured at FVTPL) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets (except digital assets) with indefinite useful lives are tested annually for impairment irrespective of any impairment indicators.

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

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

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

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

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

**(i) Digital assets**

**(a) *Digital assets presented in the Historical Financial Information***

Digital assets are held mainly for the purposes of staking, trading in the ordinary course of the Group’s business in over-the-counter markets and facilitating the deal-matching services as part of digital assets exchange platforms.

Depending on the characteristics of the digital assets and the business model of the Group’s activities, digital assets are classified and measured by the following categories:

**(a) *Inventory — fair value less costs to sell***

Since the Group actively trades proprietary digital assets, purchasing them with a view to their resale in the near future, and generating a profit from the fluctuations of price, the Group applies the guidance in IAS 2 “Inventories” for commodity broker-traders (“commodity broker-traders exemption”) and measures the digital assets at fair value less costs to sell. The Group considers there are no significant “costs to sell” digital assets and hence measurement of digital assets is based on their fair values with changes in fair values recognised in profit or loss.

Defined by paragraph 5 of IAS 2, Inventory under commodity broker-traders is principally acquired with the purpose of selling in the near future and generating a profit from fluctuations in price or broker-traders’ margin.

Digital assets classified as inventory and measured at fair value less costs to sell are presented as “Digital assets at fair value through profit or loss” in the Historical Financial Information.

**(b) *Inventory — lower of cost and net realisable value***

Digital assets classified as inventories and measured at the lower of cost and net realisable value are assets which are held for sale in the ordinary course of business or consumed in the rendering of services that do not qualify for commodity broker-traders exemption.

Inventories are carried at the lower of cost and net realisable value as follows:

- Cost is calculated using the weighted average cost formula.
- Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The Group considers there are no significant “costs to sell” of digital assets and hence measurement of net realisable value is based on the digital assets’ fair values.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs. The Group determines the net realisable value at the end of each reporting period.

Digital assets classified as inventory and measured at the lower of cost and net realisable value are presented as “Inventory — digital assets” on Historical Financial Information.

*(c) Intangible assets — digital assets*

Digital assets held for staking with indefinite useful lives are classified as intangible assets.

The digital assets are initially recognised at cost. After initial recognition, the digital assets are carried at a revalued amount, being their fair value at the date of revaluation. For the purpose of revaluations, fair value is measured by reference to an active market. Revaluations is made at the end of the reporting period.

For subsequent measurement, any increase in the carrying amount on the revaluation on intangible assets — digital assets is recognised in other comprehensive income (“OCI”) (and accumulated in the revaluation reserve within equity) except to the extent that the increase reverses a previous revaluation decrease for the same asset recognised in profit or loss, in which case to the corresponding amount of the increase is recognised in profit or loss. Any decrease in the carrying amount on revaluation is recognised in profit or loss except to the extent of any balance in the revaluation reserve for the same asset, in which case the corresponding amount is recognised in OCI (and deducted from the revaluation reserve in equity).

The cumulative revaluation surplus included in equity is transferred directly to retained earnings when the digital asset is disposed of.

*(d) Digital assets borrowing and lending*

Digital assets borrowed are recognised as assets of the Group and presented as “Digital assets at fair value through profit or loss” with a corresponding liability recognised as “Digital assets payable”. The balances are measured initially and subsequently at fair value, with changes in fair value recognised in profit or loss. Upon maturity of the borrowing arrangements when the Group repays the digital assets, the related digital assets and liability are derecognised.

*(e) Digital assets receivables and payable*

Receivables and payable to be settled by digital assets are measured initially and subsequently at fair value, with changes in fair value recognised in profit or loss. The receivables and payables are presented as “Digital assets receivables” and “Digital assets payables” in the Historical Financial Information.

***(b) Digital assets not presented in the Historical Financial Information***

Certain digital assets are received from and held on behalf of clients by certain subsidiaries of the Group for staking purposes and for the clients’ trading of the digital assets on exchange platforms.

These digital assets are excluded from the Historical Financial Information based on the respective rights and obligations arising from the underlying terms and conditions with the clients, on the following basis:

- Those subsidiaries are not entitled to any benefit of income from the holding of these client’s digital assets;
- Those subsidiaries are legally restrained from transferring or transacting with these client’s digital assets other than as instructed by the clients; and
- These client’s digital assets are safekept in segregated client wallets.



**(j) Intangible assets (other than digital assets)**

Expenditure on research activities is recognised in profit or loss as incurred.

Intangible assets acquired separately, including trademark, domain name and computer software, are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses (see Note 2(h)(ii)). The following type of intangible asset with a finite useful life is amortised from the date it is available for use and its estimated useful life is as follows:

Computer software . . . . . over the license terms

Both the period and method of amortisation are reviewed annually.

Intangible assets with indefinite useful lives, including trademark and domain name, are carried at cost less any accumulated impairment losses (see Note 2(h)(b)).

**(k) Trade receivables**

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

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses (see Note 2(h)(a)).

**(l) Cash and cash equivalents**

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

The Group also maintains segregated trust accounts with authorised financial institutions to hold clients' money in accordance with the relevant legislations. The Group is not allowed to use the clients' money to settle the Group's own obligations. Accordingly, the Group has not recognised the money held on behalf of clients as cash in the Historical Financial Information and treated these amounts as off-balance sheet items.

**(m) Contract assets and contract liabilities**

A contract asset is recognised when the Group recognises revenue (see Note 2(v)) before being unconditionally entitled to the consideration under the terms in the contract. Contract assets are assessed for ECLs and are reclassified to receivables when the right to the consideration becomes unconditional.

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue. A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised.

When the contract includes a significant financing component, the contract balance includes interest arising from the unwinding of the discount.

**(n) Trade and other payables**

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

**(o) Convertible bonds**

The convertible bonds issued by the Group are classified as at fair value through profit or loss. Convertible bonds are initially recognised at fair value. Subsequent to initial recognition, the convertible bonds are carried at fair value with changes in fair value recognised in the profit or loss.

If the convertible bonds are converted into preferred shares, the preferred shares are accounted for in accordance with Note 2(p), and any difference between the carrying amount of the convertible bonds and the financial liabilities arising from the preferred shares is recognised in equity. If the convertible bonds are redeemed, any difference between the amount paid and the carrying amounts of the convertible bonds is recognised in profit or loss.

**(p) Preferred shares**

Preferred shares issued by the Group are recognised as redemption liabilities and equity separately:

**(i) *Redemption liabilities***

Redemption liabilities represent the liabilities arising from preferred shares when they are redeemable at the option of the preferred shareholders upon occurrence of events that are beyond the control of both the Group and the preferred shareholders. Such financial liabilities are measured at the highest redemption price (on a present value basis) that could be payable by the Group from time to time. Any change in the carrying amount of the financial liabilities from remeasurement is recognised in profit or loss. When the preferred shares are converted into ordinary shares, the then carrying amount of the financial liabilities is transferred to equity with no gain or loss.

**(ii) *Equity component***

The equity component of the preferred shares is initially recognised at the difference between the fair value of the preferred shares as a whole and the initial carrying amount of the redemption liabilities. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. The equity component is not remeasured and is recognised in the other reserve until the preferred shares are converted. When the preferred shares are converted into ordinary shares, the equity component is transferred to share premium.

**(q) Employee benefit**

**(i) *Short-term employee benefits and contributions to defined contribution retirement plans***

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

**(ii) *Equity-settled Share-based payments***

The grant-date fair value of share options granted to employees is recognised as employee cost with a corresponding increase in other reserve within equity, over the vesting period of the awards (if any). The grant-date fair value of the awards is measured using valuation models (see Note 32), taking into account the non-vesting condition (if any).

The amount recognised as the employee cost is adjusted to reflect the number of awards for which the related service conditions are expected to be met. During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised as an expense in prior years is charged/credited to the profit or loss for the year of the review, with a corresponding adjustment to the other reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the other reserve). The equity amount is recognised in the other reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits/(accumulated losses)).

**(r) Foreign currency translation**

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

**(s) Income tax**

The income tax expense or credit for the period is the tax payable/recoverable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to taxable temporary differences and to unused tax losses.

**(i) Current income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the tax jurisdictions where the Group and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

**(ii) Deferred income tax**

Deferred income tax is provided in full, using the liability method, on taxable and deductible temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(t) Provisions and contingent liabilities**

Provisions are recognised when the Group has a legal or constructive present obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. For possible obligations for which it has yet to be confirmed whether a present obligation exists, a provision is recognised when it is more likely than not that the obligation exists at the reporting date. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events and for which no provision was recognised, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

**(u) Finance costs**

Finance costs are expensed in the period in which they are incurred.

**(v) Revenue recognition**

Revenue represents income arising in the course of the Group's ordinary activities.

The following is a description of the accounting policy for the principal revenue streams of the Group:

**(a) Revenue from contracts with customers**

Revenue is recognised when goods are transferred or services are rendered to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties.

*Revenue arising from transaction facilitation services*

*Commission fee income*

The Group earns commission fee income through its trading facilitation business. Commission fee income is recognised at a point in time when the relevant transactions are executed.

*Listing fee income*

The Group provides listing services to issuers of digital assets, enabling their tokens or coins to be listed and traded on the Group's trading platform. Generally we charge a fixed listing fee throughout the listing period. Listing fee is recognised as revenue on a straight-line basis over the period in which the listing service is rendered.

*Trading of digital assets*

Trading of digital assets represents the revenue arising from disposal of digital assets. Revenue is recognised when the control over the digital assets is transferred to customers, which is the point in time when the sale is completed. The amount recognised reflects the sales proceeds.

*Service fee income*

The Group provides other different types of services apart from the above-mentioned services through its trading facilitation business, including withdrawal service and custody service. If the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs, such as custody service, service fee is recognised as revenue over the period in which the service is performed. Otherwise, service fee is recognised as revenue at a point in time when the service is completed. The amount recognised reflects the fixed service charges or the contractual rate applied to the transaction value.

*Revenue arising from on-chain services*

Staking and node validation income

Staking income represents the award generated on-chain from participating in network validation to support the blockchain operation. Staking income is recognised when the award is generated, representing the Group has performed the network validation service. Node validation income is recognised when the award is generated, representing the Group has performed the node validation service. Staking and node validation income is measured at fair value of the award at the date when the award is received.

Web3 events fee income

Web3 events fee income represents the ticket sales and the sponsorship income from the organisation of Web3 events. Revenue from ticket sales and sponsorship income is recognised at the point in time when the event is held and the Group's obligation to host the event is fulfilled.

*Revenue arising from asset management services*

Asset management fee income

Asset management fee income includes periodic management fees calculated based on assets under management and performance-based fees. Asset management fee is recognised as revenue over time using a time-based measure of progress. Periodic management fees and performance-based fees are variable consideration for which revenue recognition is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Specifically, the Group recognises periodic management fees and performance-based fees as revenue at the end of the relevant period when the actual amounts are confirmed.

**(b) Revenue from other sources**

*Revenue arising from Transaction facilitation service*

Fair value gain/(loss) on digital assets

Fair value gain/(loss) represent the net gain/(loss) from transactions in, and remeasurement of "Digital assets at FVTPL" that are deployed in the transaction facilitations business.

For "Digital assets at FVTPL" that are deployed in other use, e.g. in house treasury purpose, such balance is recognised under "other gains/(loss), net".

Interest income

Interest income is recognised using the effective interest method. The effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). For financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset. Interest income from client trust accounts represents the interest income arising from transaction facilitation services, specifically from clients' fiat deposits held on exchange platforms. The interest rate is based on standard commercial terms applicable to a current bank account, from time to time.

**(w) Related parties**

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (w)(a).
  - (vii) A person identified in (w)(a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

**(x) Segment reporting**

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

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

### **3 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES**

In the process of applying the Group's accounting policies, management has made the following accounting judgements and estimates:

**(a) Accounting for digital assets transactions and balances**

IFRS Accounting Standards do not specifically address accounting for digital assets. Accordingly, for the preparation of the Group's Historical Financial Information, management needs to apply judgement in determining appropriate accounting policies based on the existing accounting framework and the facts and circumstances of the Group's digital assets business.

The Group's digital assets portfolio mainly comprises cryptocurrencies and stablecoins. They are accounted for according to the business model of the Group's activities and the characteristics of each of the relevant digital assets as below:

Business model	Classification	Measurement basis
Held for trading that meets commodity broker-trader's exemptions . . . . .	Inventories	Fair value less costs to sell
Held for trading that does not meet commodity broker-trader's exemptions . . . . .	Inventories	Lower of cost or net realisable value
Held for staking purpose . . . . .	Intangible assets	Revaluation model

In addition, the Group borrows and lends digital assets from and to counterparties to facilitate its principal operations. The Group has the obligation to repay/the right to receive the underlying digital assets accordingly to the terms and conditions of those transactions. The Group assessed these types of transactions and concluded to measure the resulting assets and liabilities at fair value through profit or loss by referencing to the price of underlying digital assets based on the Conceptual Framework for Financial Reporting.

There are also digital assets held by the Group solely for the benefits on behalf of its clients where such assets held are not recognised by the Group as its own assets.

Furthermore, in determining fair values, management applies judgement to identify the relevant available markets, and to consider accessibility to and activity within those markets in order to identify the principal digital asset markets for the Group.

**(b) Share-based payments**

For the share options granted to its employees as part of its incentive programme, IFRS 2 requires the Group to recognise the grant-date fair value of the share options granted as expenses. In the case that market prices are not available for the share options granted, judgement is exercised in the measurement of the fair value. In making its judgement, management has considered a wide range of factors including the underlying value of the granting entities.

See Note 32 for the further information and assumptions adopted relating to the valuation of those share options at the grant date.

**(c) Fair value for non-listed financial instruments at fair value through profit or loss**

The Group initially recognised and subsequently measured these financial instruments at fair value in the consolidated statement of financial position. Certain financial instruments are not traded in an active market and their valuation is determined by using valuation techniques. Management uses its judgement to select methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Changes in these assumptions and estimates could materially affect the fair value of these financial instruments. See Note 35(c) for the further information and assumptions adopted relating to the valuation of those non-listed financial instruments.

#### 4 REVENUE AND SEGMENT REPORTING

##### (a) Revenue

The principal activities of the Group are the provision of transaction facilitation services, on-chain services and asset management services.

##### *Disaggregation of revenue*

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
<b>Transaction facilitation services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
Commission fee income . . . . .	5,340	11,582	239,910	126,141	107,994
Listing fee income . . . . .	—	—	30,908	1,660	43,578
Trading of digital assets . . . . .	—	—	133,972	86,676	21,330
Service fee income . . . . .	—	529	82,805	37,700	11,343
<i>Interest income calculated using the effective interest method</i>					
Interest income from client trust accounts . . . . .	—	119	15,096	4,729	15,896
<i>Revenue from other sources</i>					
Fair value (loss)/gain on digital assets . . . . .	(20,255)	38,218	15,082	15,202	(6,928)
	<u>(14,915)</u>	<u>50,448</u>	<u>517,773</u>	<u>272,108</u>	<u>193,213</u>
<b>On-chain services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
Staking and node validation income . . . . .	65,765	48,531	81,761	39,278	27,460
Web3 events fee income . . . . .	—	27,352	37,136	35,115	23,749
Others . . . . .	6,042	2,567	5,905	32	1,782
	<u>71,807</u>	<u>78,450</u>	<u>124,802</u>	<u>74,425</u>	<u>52,991</u>
<b>Asset management services</b>					
<i>Revenue from contracts with customers within the scope of IFRS 15</i>					
Asset management fee income . . . . .	72,172	78,894	78,156	37,653	37,763
	<u>129,064</u>	<u>207,792</u>	<u>720,731</u>	<u>384,186</u>	<u>283,967</u>



Analysis of revenue from contracts with customers within the scope of IFRS 15:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Recognised at					
– Point-in-time . . . . .	77,147	90,561	497,042	289,877	184,226
– overtime . . . . .	72,172	78,894	193,511	74,378	90,773
	<u>149,319</u>	<u>169,455</u>	<u>690,553</u>	<u>364,255</u>	<u>274,999</u>

The aggregated amount of the consideration allocated to the remaining performance obligations under the Group's existing contracts as at 31 December 2024 and 30 June 2025 is approximately HK\$63,499,000 and HK\$188,917,000 (see Note 26). There was no such consideration allocated to the remaining performance obligations under the Group's existing contract as at 31 December 2022 and 2023.

This aggregated amount represents revenue expected to be recognised in the future from pre-completion sales contracts for listing fee income and service fee income. The Group will recognise the expected revenue in the future when the obligations related to listing fee income and service fee income are completed, which are expected to occur over the next 1 to 6 months based on the market data and historical information.

During the Track Record Period, the Group's customers of the transaction facilitation services, on-chain services and asset management services segments with whom transaction have exceeded 10% of the Group's revenue in the respective periods are set out below. Details of concentration of credit risk arising from largest debtor are set out in Note 35(b)(ii).

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Customer A** . . . . .	68,078	83,395	76,595	38,899	34,819
Customer B . . . . .	<u>17,265</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>

Note \* Transactions with customer B did not exceed 10% of the Group's revenue in the respective years or periods.

Note \*\* Customer A is a related party of the Group.

## (b) Segment reporting

The Group manages its businesses by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's Chief Executive Officer for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable operating segments.

**Transaction facilitation services:** Transaction facilitation services cover digital asset exchange services, brokerage services and custody services. Revenue from transaction facilitation services is derived primarily from the Group's digital asset exchange services, brokerage services and custody services.

**On-chain services:** On-chain services cover support of infrastructure and application layers of the digital asset ecosystem, including staking services and tokenisation services. Revenue from on-chain services is derived primarily comes from staking services.

Asset management services: Asset management services cover venture capital funds management, as well as secondary market liquid funds. Revenue from asset management service is derived from venture capital solutions and secondary market fund solutions.

(i) *Segment results, assets and liabilities*

For the purpose of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all trade receivables, digital assets receivables, intangible assets — digital assets, inventory — digital assets, digital assets at FVTPL and cash and cash equivalents. Segment liabilities include all trade payables, digital assets payables and contract liabilities.

Revenue and expense are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments of which otherwise attributable to those segments. The measure used for reporting result is adjusted gross profit, which has arrived by gross profit adjusted by impairment losses attributable to those segments. The Group has no inter-segment revenue and therefore the revenue from external customers equal to Reportable segment revenue.

Year ended 31 December 2022				
	Transaction facilitation services	On-chain services	Asset management services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Reportable segment revenue</b> . . . . .	(14,915)	71,807	72,172	129,064
<b>Reportable segment results</b> . . . . .	(16,760)	70,101	72,152	125,493
<i>Included in segment results</i>				
<i>Net fair value loss on digital</i>				
<i>assets</i> . . . . .	(20,255)	—	—	(20,255)
<b>Reportable segment assets</b> . . . . .	185,431	138,214	65,242	388,887
<i>Additions to non-current segment</i>				
<i>assets during the year</i> . . . . .	—	—	—	—
<b>Reportable segment liabilities</b> . . . . .	(104,603)	(30,001)	(17,386)	(151,990)

Year ended 31 December 2023				
	Transaction facilitation services	On-chain services	Asset management services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Reportable segment revenue</b> . . . . .	50,448	78,450	78,894	207,792
<b>Reportable segment results</b> . . . . .	42,170	53,886	78,870	174,926
<i>Included in segment results</i>				
<i>Interest income</i> . . . . .	119	—	—	119
<i>Net fair value gain on</i>				
<i>digital assets</i> . . . . .	38,218	—	—	38,218
<i>Impairment loss</i> . . . . .	—	(20,435)	—	(20,435)
<b>Reportable segment assets</b> . . . . .	573,337	203,605	120,889	897,831
<i>Additions to non-current segment</i>				
<i>assets during the year</i> . . . . .	—	—	—	—
<b>Reportable segment liabilities</b> . . . . .	(384,598)	(39,251)	(63,194)	(487,043)

Year ended 31 December 2024				
	Transaction facilitation services	On-chain services	Asset management services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Reportable segment revenue</b> . . . . .	517,773	124,802	78,156	720,731
<b>Reportable segment results</b> . . . . .	338,637	115,992	77,884	532,513
<i>Included in segment results</i>				
Interest income . . . . .	15,096	–	–	15,096
Net fair value gain on digital assets . . . . .	15,082	–	–	15,082
<b>Reportable segment assets</b> . . . . .	866,329	280,373	134,902	1,281,604
<i>Additions to non-current segment assets during the year</i> . . . . .	–	–	–	–
<b>Reportable segment liabilities</b> . . . . .	(395,568)	(58,304)	(55,529)	(509,401)

Six months ended 30 June 2024 (unaudited)				
	Transaction facilitation services	On-chain services	Asset management services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Reportable segment revenue</b> . . . . .	272,108	74,425	37,653	384,186
<b>Reportable segment results</b> . . . . .	169,416	71,307	37,653	278,376
<i>Included in segment results</i>				
Interest income . . . . .	4,729	–	–	4,729
Net fair value gain on digital assets . . . . .	15,202	–	–	15,202
<b>Reportable segment assets</b> . . . . .	575,498	235,153	118,183	928,834
<i>Additions to non-current segment assets during the period</i> . . . . .	–	–	–	–
<b>Reportable segment liabilities</b> . . . . .	(334,110)	(57,668)	(8,002)	(399,780)

Six months ended 30 June 2025				
	Transaction facilitation services	On-chain services	Asset management services	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Reportable segment revenue</b> . . . . .	193,213	52,991	37,763	283,967
<b>Reportable segment results</b> . . . . .	96,795	49,985	37,698	184,478
<i>Included in segment results</i>				
Interest income . . . . .	15,896	–	–	15,896
Net fair value loss on digital assets . . . . .	(6,928)	–	–	(6,928)
<b>Reportable segment assets</b> . . . . .	631,682	176,151	114,385	922,218
<i>Additions to non-current segment assets during the period</i> . . . . .	–	–	–	–
<b>Reportable segment liabilities</b> . . . . .	(143,602)	(48,032)	(37,593)	(229,227)

(ii) *Reconciliation of reportable segment result, assets and liabilities*

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
<b>Consolidated result</b>					
Reportable segment result . . . . .	125,493	174,926	532,513	278,376	184,478
Other (loss)/gain . . . . .	(167,419)	28,700	39,908	(27,773)	(59,468)
Finance cost . . . . .	(21,572)	(36,270)	(169,278)	(90,513)	(87,993)
Share of loss of associate . . . . .	(12,601)	(13,525)	(6,893)	(8,943)	(14,290)
Unallocated expenses . . . . .	(507,890)	(729,798)	(1,579,720)	(920,855)	(527,427)
Consolidated loss before taxation.	(583,989)	(575,967)	(1,183,470)	(769,708)	(504,700)
<b>Reportable segment assets</b> . . . .	388,887	897,831	1,281,604		922,218
Elimination of inter-segment assets . . . . .	(50,625)	(192,083)	(495,731)		(206,684)
Property, plant and equipment . .	110,794	88,956	71,832		56,055
Intangible assets – others . . . . .	3,216	11,107	85,985		78,292
Interest in an associate . . . . .	24,243	41,955	97,100		82,810
Prepayments, deposits and other receivables . . . . .	51,969	65,987	59,285		69,859
Financial assets at FVTPL . . . . .	447,603	447,603	388,414		388,414
Derivative . . . . .	–	37,889	–		–
Unallocated assets . . . . .	102,063	140,031	125,327		216,395
Consolidated total assets . . . . .	1,078,150	1,539,276	1,613,816		1,607,359
<b>Reportable segment liabilities</b> . .	151,990	487,043	509,401		229,227
Elimination of inter-segment liabilities . . . . .	(85,138)	(336,603)	(462,657)		(184,500)
Lease liabilities . . . . .	72,709	57,420	45,854		34,090
Borrowings . . . . .	–	13,861	–		–
Convertible bonds . . . . .	333,192	–	–		–
Redemption liabilities . . . . .	140,243	1,000,202	1,284,493		1,725,076
Tax payables . . . . .	10,492	14,926	20,718		22,764
Unallocated liabilities . . . . .	448,039	832,819	1,268,465		1,362,529
Consolidated total liabilities . . . .	1,071,527	2,069,668	2,666,274		3,189,186

(c) **Geographical information**

The Group's staff and senior management including the chief operation decision makers are substantially located in Hong Kong. Accordingly, no further analysis of geographical information is presented.

**5 COST OF REVENUE**

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Transaction facilitation services . . . . .	1,845	8,278	179,136	102,691	96,418
On-chain services . . . . .	1,706	4,129	8,810	3,119	3,006
Asset management services . . . . .	20	24	272	–	65
	3,571	12,431	188,218	105,810	99,489

## 6 OTHER (LOSS)/GAINS, NET

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Net fair value gain/(loss) on:					
– convertible bonds . . . . .	(5,208)	(113,655)	–	–	–
– other financial instruments . . . . .	26,070	37,889	(75,440)	2,200	(8,556)
– digital assets . . . . .	(159,505)	82,974	16,158	(38,229)	(35,694)
Impairment loss on intangible assets and others . . . . .	(369)	(21,072)	–	–	–
Net (charge)/recovery of ECL for trade receivable (Note 17) . . . . .	(59,057)	–	55,759	–	68
Interest income calculated using the effective interest method:					
– interest income from banks and others . . . . .	7,736	6,481	6,536	3,539	4,466
Foreign exchange gain/(loss), net . . . . .	25,055	7,079	14,273	3,328	(27,262)
Recovery from impaired account receivables (Note 17) . . . . .	–	–	15,324	–	–
Others . . . . .	(2,141)	8,569	7,298	1,389	7,510
	<u>(167,419)</u>	<u>8,265</u>	<u>39,908</u>	<u>(27,773)</u>	<u>(59,468)</u>

## 7 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

### (a) Finance costs

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Interest expenses arising from					
– preferred shares – HashQuark Series B (Note 30) . . . . .	7,508	9,508	8,517	3,859	6,300
– preferred shares – HashKey Series A (Note 30) . . . . .	–	5,217	78,215	31,848	52,202
	<u>7,508</u>	<u>14,725</u>	<u>86,732</u>	<u>35,707</u>	<u>58,502</u>
– amounts due to related parties . . . . .	5,673	15,609	78,800	52,217	27,112
– lease liabilities (Note 27) . . . . .	3,886	3,423	2,786	1,430	1,057
– others . . . . .	4,505	2,513	960	1,159	1,322
	<u>21,572</u>	<u>36,270</u>	<u>169,278</u>	<u>90,513</u>	<u>87,993</u>

**(b) Staff costs (including directors' emoluments)**

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Salaries, wages and other benefits . . . . .	175,065	305,883	396,820	188,000	218,172
Contributions to employees' retirement plan . . . . .	4,356	5,330	6,135	2,759	3,663
Equity-settled share-based payment expenses (Note 32) . . . . .	3,555	10,430	566,208	500,236	2,571
	<u>182,976</u>	<u>321,643</u>	<u>969,163</u>	<u>690,995</u>	<u>224,406</u>
Presented under:					
– Research and development . . . . .	23,662	53,266	170,056	111,834	47,605
– Sales and marketing . . . . .	52,639	97,382	256,852	145,469	109,245
– General and administrative . . . . .	106,675	170,995	542,255	433,692	67,556
	<u>182,976</u>	<u>321,643</u>	<u>969,163</u>	<u>690,995</u>	<u>224,406</u>

**(c) Other items**

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Amortisation for intangible assets – others . . . . .	445	1,135	2,483	1,234	9,112
Depreciation					
– for property, plant and equipment . . . . .	9,670	11,241	11,408	5,976	5,610
– for right-of-use assets . . . . .	15,473	16,814	16,762	8,459	7,628
Advertisement and promotion . . . . .	16,337	10,363	73,824	9,940	42,579
IT expenses . . . . .	215,264	258,177	374,882	142,268	170,145
Legal & professional fee . . . . .	23,861	34,550	40,502	20,992	9,730
Auditor's remuneration					
– audit service . . . . .	9,910	10,658	12,627	4,962	6,429
– non-audit service . . . . .	–	–	690	–	–
	<u>–</u>	<u>–</u>	<u>690</u>	<u>–</u>	<u>–</u>

During the years ended 31 December 2022, 2023, 2024 and six months ended 30 June 2024 and 2025, expense of approximately HK\$9,898,000, HK\$70,752,000, HK\$176,722,000, HK\$82,925,000 and HK\$122,955,000 were in HashKey Platform Token (“HSK”).

## 8 TAXATION IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

### (a) Taxation in the consolidated statements of profit or loss and other comprehensive income represents:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
<b>Current tax</b> . . . . .	<u>1,205</u>	<u>3,985</u>	<u>6,137</u>	<u>2,901</u>	<u>2,046</u>

Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in this jurisdiction. The provision for Hong Kong Profit Tax is calculated at 16.5% of the estimated assessable profits, if any, for the Track Record Period. Taxes on profits assessable from other jurisdictions are charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

### (b) Reconciliation between tax expense and accounting loss at applicable tax rates:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Loss before taxation . . . . .	<u>(583,989)</u>	<u>(575,967)</u>	<u>(1,183,470)</u>	<u>(769,708)</u>	<u>(504,700)</u>
Tax calculated at the prevailing rate . . . . .	(98,025)	(95,206)	(191,138)	(123,186)	(71,524)
Tax effect of non-deductible expenses . . .	34,944	41,709	151,763	110,897	40,393
Tax effect of non-taxable income . . . . .	(22,083)	(27,519)	(64,774)	(12,202)	(9,015)
Utilisation of tax loss previously not recognised . . . . .	—	—	(6,633)	—	—
Tax effect of unused tax losses not recognised . .	<u>86,369</u>	<u>85,001</u>	<u>116,919</u>	<u>27,392</u>	<u>42,192</u>
	<u>1,205</u>	<u>3,985</u>	<u>6,137</u>	<u>2,901</u>	<u>2,046</u>

The Group has not recognised deferred tax assets in respect of cumulative tax losses arising from Hong Kong Profits Tax and other jurisdictions of approximately HK\$988,711,000, HK\$1,662,026,000, HK\$2,269,900,000 and HK\$2,551,900,000 as at 31 December 2022, 2023 and 2024 and 30 June 2025 as it is not probable that future taxable profits against which these losses can be utilised will be available. The tax losses do not expire under the legislations of relevant jurisdictions.

### (c) Pillar Two income taxes

In 2021, the Organisation for Economic Co-operation and Development published the Global Anti-Base Erosion Model Rules (“Pillar Two model rules”) for a new global minimum tax reform applicable to large multinational enterprises. The Pillar Two income taxes are levied on certain subsidiaries under the local tax laws which introduced a domestic minimum top-up tax effective from 1 January 2024.

The Group has applied the temporary mandatory exception to recognising and disclosing information about the deferred tax assets and liabilities related to Pillar Two income taxes and accounted for the tax as current tax when incurred. This new tax policy did not have a material impact on the Historical Financial Information.

9 DIRECTORS' EMOLUMENTS

Year ended 31 December 2022				
Directors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Directors</b>				
LU Weiding <sup>a</sup> . . . . .	—	—	—	—
XIAO Feng . . . . .	—	2,100	300	2,411
	—	—	—	—
	—	2,100	300	2,411
	—	—	—	—

Year ended 31 December 2023				
Directors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Directors</b>				
LU Weiding <sup>a</sup> . . . . .	—	—	—	—
XIAO Feng . . . . .	—	4,680	6,675	11,373
	—	—	—	—
	—	4,680	6,675	11,373
	—	—	—	—

Year ended 31 December 2024				
Directors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Directors</b>				
LU Weiding <sup>a</sup> . . . . .	—	—	—	—
XIAO Feng . . . . .	—	4,680	8,246	12,944
	—	—	—	—
	—	4,680	8,246	12,944
	—	—	—	—

Six months ended 30 June 2024 (unaudited)				
Directors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Directors</b>				
LU Weiding <sup>a</sup> . . . . .	—	—	—	—
XIAO Feng . . . . .	—	2,340	9	2,349
	—	—	—	—
	—	2,340	9	2,349
	—	—	—	—

Six months ended 30 June 2025				
Directors' fee	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Directors</b>				
LU Weiding <sup>a</sup> . . . . .	—	—	—	—
XIAO Feng . . . . .	—	2,283	9	2,292
	—	—	—	—
	—	2,283	9	2,292
	—	—	—	—



During the Track Record Period, no director has waived or agreed to waive any emoluments and no amounts were paid or payable by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

*Note a:* Mr. Lu Weiding was appointed as director of the Company on 10 May 2023 and re-designated as non-executive director with effect from 22 September 2025.

*Note b:* Pursuant to resolutions of shareholders on 22 September 2025, the appointment of Mr. Chan Jessey Ting, Ms. Lin Lynn Zhihong and Mr. Huang Sidney Xuande as independent non-executive directors of the Company will be conditional and effective upon listing of the Company.

## 10 FIVE HIGHEST PAID INDIVIDUALS

Of the five individuals with the highest emoluments of the Group during the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, none were directors whose emoluments are disclosed in Note 9 except for one of the individual for the year ended 31 December 2023.

The aggregate of the emoluments in respect of the remaining individuals during the years ended 31 December 2022, 2023 and 2024 and six months ended 30 June 2024 and 2025 respectively are as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Salaries and other emoluments . . . . .	14,791	14,491	17,543	8,708	8,757
Discretionary bonuses . . .	4,835	16,689	19,451	–	–
Retirement scheme contributions . . . . .	72	45	72	36	45
Share-based payments . . .	6,378	3,531	185,239	156,553	17,284
	<u>26,076</u>	<u>34,756</u>	<u>222,305</u>	<u>165,297</u>	<u>26,086</u>

The emoluments of the remaining individuals with the highest emoluments are within the following bands:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	Number of individuals	Number of individuals	Number of individuals	Number of individuals (unaudited)	Number of individuals
HK\$3,000,001-HK\$3,500,000 . . . . .	1	–	–	–	–
HK\$3,500,001-HK\$4,000,000 . . . . .	1	–	–	–	1
HK\$4,000,001-HK\$4,500,000 . . . . .	1	–	–	–	–
HK\$4,500,001-HK\$5,000,000 . . . . .	1	–	–	–	2
HK\$5,000,001-HK\$5,500,000 . . . . .	–	–	–	–	1
HK\$6,500,001-HK\$7,000,000 . . . . .	–	–	–	–	1
HK\$8,000,001-HK\$8,500,000 . . . . .	–	1	–	–	–
HK\$8,500,001-HK\$9,000,000 . . . . .	–	3	–	–	–
HK\$9,500,001-HK\$10,000,000 . . . . .	1	–	–	–	–
HK\$24,000,001-HK\$24,500,000 . . . . .	–	–	–	1	–
HK\$26,000,001-HK\$26,500,000 . . . . .	–	–	–	1	–
HK\$29,000,001-HK\$29,500,000 . . . . .	–	–	1	–	–
HK\$30,000,001-HK\$30,500,000 . . . . .	–	–	–	1	–
HK\$33,000,001-HK\$33,500,000 . . . . .	–	–	–	1	–
HK\$37,500,001-HK\$38,000,000 . . . . .	–	–	1	–	–
HK\$45,000,001-HK\$45,500,000 . . . . .	–	–	2	–	–
HK\$50,500,001-HK\$51,000,000 . . . . .	–	–	–	1	–
HK\$64,000,001-HK\$64,500,000 . . . . .	–	–	1	–	–
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

During the Track Record Period, no amounts were paid or payable by the Group to the above non-director highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

## 11 LOSS PER SHARE

### (a) Basic loss per share

Basic loss per share for the years ended 31 December 2022, 2023 and 2024 and for the six months ended 30 June 2024 and 2025 is calculated by dividing the loss attributable to equity shareholders of the Company by the weighted average of ordinary shares in issue as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
				(unaudited)	
Loss attributable to all equity shareholders of the Company (HK\$'000) . . . . .	(585,194)	(579,952)	(1,189,607)	(772,609)	(506,746)
Weighted average number of ordinary shares at 31 December/30 June ('000) . . . . .	1,064,247	1,350,000	1,350,000	1,350,000	1,350,000
Basic loss per shares (HK\$ per share) . . . . .	<u>(0.55)</u>	<u>(0.43)</u>	<u>(0.88)</u>	<u>(0.57)</u>	<u>(0.38)</u>

Weighted average number of ordinary shares:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	'000	'000	'000	'000	'000
				(unaudited)	
Issued ordinary shares at 1 January . . . . .	100,000	135,000	1,350,000	1,350,000	1,350,000
Effect of ordinary shares issued . . . . .	6,425	–	–	–	–
Effect of ordinary shares subdivision (Note (i)) . . . . .	957,822	1,215,000	–	–	–
Weighted average number of ordinary shares at 31 December/30 June . . . . .	<u>1,064,247</u>	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,350,000</u>

Note (i): The weighted average number of ordinary shares has been adjusted retrospectively from 1 January 2022 for the share subdivision in 2023 (Note 34(c)).

### (b) Diluted loss per share

Convertible bonds (Note 29), Preferred shares (Note 30) and share options granted by the Company and HashQuark Limited (Note 32) were not included in the calculation of diluted loss per share because their effect would have been anti-dilutive, the Group had no potentially ordinary shares that would dilute the basic loss per share. Accordingly, the diluted loss per share were equal to the basic loss per share for the Track Record Period.

## 12 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvement	Furniture and fixtures	Computer equipment	Right-of-use assets	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Cost</b>					
As at 1 January 2022 . . . .	26,462	3,433	17,121	14,742	61,758
Additions . . . . .	373	1,348	5,263	78,653	85,637
Exchange differences . . . .	—	10	80	(46)	44
As at 31 December 2022 and 1 January 2023 . . . .	26,835	4,791	22,464	93,349	147,439
Additions . . . . .	—	216	6,728	—	6,944
Re-classification . . . . .	—	(1,112)	1,112	—	—
Exchange differences . . . .	1	5	(25)	25	6
As at 31 December 2023 and 1 January 2024 . . . .	26,836	3,900	30,279	93,374	154,389
Additions . . . . .	194	155	5,267	5,605	11,221
Expiry of lease contracts . .	(570)	—	—	(10,915)	(11,485)
Disposal . . . . .	—	(306)	(148)	—	(454)
Exchange differences . . . .	(33)	(20)	(211)	(301)	(565)
As at 31 December 2024 and 1 January 2025 . . . .	26,427	3,729	35,187	87,763	153,106
Additions . . . . .	—	13	1,336	—	1,349
Modification of lease contracts . . . . .	—	—	—	(4,071)	(4,071)
Exchange differences . . . .	70	42	(663)	502	(49)
As at 30 June 2025 . . . .	26,497	3,784	35,860	84,194	150,335

	Leasehold improvement	Furniture and fixtures	Computer equipment	Right-of-use assets	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Accumulated depreciation and impairment losses</b>					
As at 1 January 2022 . . . .	(1,678)	(383)	(2,053)	(6,551)	(10,665)
Charge for the year . . . .	(5,211)	(664)	(3,795)	(15,473)	(25,143)
Lease modification . . . .	—	—	—	(557)	(557)
Exchange differences . . . .	(8)	(1)	(797)	526	(280)
As at 31 December 2022 and 1 January 2023 . . . .	(6,897)	(1,048)	(6,645)	(22,055)	(36,645)
Charge for the year . . . .	(5,304)	(799)	(5,138)	(16,814)	(28,055)
Impairment loss . . . . .	—	—	(649)	—	(649)
Re-classification . . . . .	—	181	(181)	—	—
Exchange differences . . . .	(2)	(1)	90	(171)	(84)
As at 31 December 2023 and 1 January 2024 . . . .	(12,203)	(1,667)	(12,523)	(39,040)	(65,433)
Charge for the year . . . .	(4,310)	(810)	(6,288)	(16,762)	(28,170)
Expiry of lease contracts . .	570	—	—	10,915	11,485
Disposal . . . . .	—	292	148	—	440
Exchange differences . . . .	29	9	154	212	404
As at 31 December 2024 and 1 January 2025 . . . .	(15,914)	(2,176)	(18,509)	(44,675)	(81,274)
Charge for the period . . . .	(1,760)	(412)	(3,438)	(7,628)	(13,238)
Exchange differences . . . .	(60)	(24)	760	(444)	232
As at 30 June 2025 . . . .	(17,734)	(2,612)	(21,187)	(52,747)	(94,280)

	Leasehold improvement	Furniture and fixtures	Computer equipment	Right-of-use assets	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Net book value</b>					
As at 30 June 2025 . . . . .	8,763	1,172	14,673	31,447	56,055
As at 31 December 2024. . . . .	10,513	1,553	16,678	43,088	71,832
As at 31 December 2023. . . . .	14,633	2,233	17,756	54,334	88,956
As at 31 December 2022. . . . .	19,938	3,743	15,819	71,294	110,794

### 13 INTANGIBLE ASSETS

#### (a) Intangible assets — digital assets

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 1 January</b> . . . . .	395,139	118,650	166,377	229,890
Addition through				
– purchase . . . . .	3,783	62,083	76,703	21,494
– staking service and node validation service ( <i>Note 4a</i> ) . . . . .	65,765	48,531	81,761	27,460
– settlement of digital assets receivables . . . . .	183	2,303	187	407
	69,731	112,917	158,651	49,361
Less:				
– disposal . . . . .	(46,254)	(134,722)	(148,524)	(46,482)
– write-off during the year/period . . . . .	–	(20,435)	–	–
	(46,254)	(155,157)	(148,524)	(46,482)
Fair value adjustment . . . . .	(299,966)	89,967	53,386	(77,090)
<b>At 31 December/30 June</b> . . . . .	118,650	166,377	229,890	155,679

As at 31 December 2022, 2023 and 2024 and 30 June 2025, the digital assets were held in the Group's digital asset wallets. The private keys of the relevant wallets were held by individuals employed by subsidiaries of the Company. The write off in 2023 represented a one-off re-adjustment of certain assets under the staking business.

The determination of fair values of the digital assets held by the Group as at 31 December 2022, 2023 and 2024 and 30 June 2025 is detailed in Note 35(c)(iii).

The directors consider that there is no foreseeable limit to the period over which digital assets are expected to generate cash flows, therefore the digital assets are expected to have indefinite useful lives. As the Group expects and intends to realise or sell the digital assets in its operating cycle, the balance is classified as current assets in the Historical Financial Information.

(b) Intangible assets — others

	Trademark	Domain name	Computer software	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Cost</b>				
As at 1 January 2022 . . . . .	588	87	2,293	2,968
Additions . . . . .	—	—	1,062	1,062
Write-off . . . . .	—	—	(369)	(369)
As at 31 December 2022 and 1 January 2023 . . . . .	588	87	2,986	3,661
Additions . . . . .	—	—	9,026	9,026
As at 31 December 2023 and 1 January 2024 . . . . .	588	87	12,012	12,687
Additions . . . . .	—	—	77,361	77,361
As at 31 December 2024 and 1 January 2025 . . . . .	588	87	89,373	90,048
Additions . . . . .	—	—	1,419	1,419
As at 30 June 2025 . . . . .	588	87	90,792	91,467
<b>Accumulated amortisation</b>				
As at 1 January 2022 . . . . .	—	—	—	—
Charge for the year . . . . .	—	—	(445)	(445)
As at 31 December 2022 and 1 January 2023 . . . . .	—	—	(445)	(445)
Charge for the year . . . . .	—	—	(1,135)	(1,135)
As at 31 December 2023 and 1 January 2024 . . . . .	—	—	(1,580)	(1,580)
Charge for the year . . . . .	—	—	(2,483)	(2,483)
As at 31 December 2024 and 1 January 2025 . . . . .	—	—	(4,063)	(4,063)
Charge for the period . . . . .	—	—	(9,112)	(9,112)
As at 30 June 2025 . . . . .	—	—	(13,175)	(13,175)
<b>Net book value</b>				
As at 30 June 2025 . . . . .	588	87	77,617	78,292
As at 31 December 2024 . . . . .	588	87	85,310	85,985
As at 31 December 2023 . . . . .	588	87	10,432	11,107
As at 31 December 2022 . . . . .	588	87	2,541	3,216

14 INTEREST IN AN ASSOCIATE

The Group

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Interest in an associate – unlisted shares . . . . .	24,243	41,955	97,100	82,810

The interest in the associate represents the investment in RD International Holdings Limited (the “Associate”), a limited company incorporated in the Cayman Islands. The Associate is an investment holding company with principal subsidiary being RD InnoTech Limited, a company principally engaged in stablecoin development.

During 2023, the Group injected US\$4,000,000, equivalent to approximately HK\$31,238,000 as a result from the Associate’s capital call. The capital injection had no impact on the attributable portion held by the Group.

During 2024, the Associate issued additional ordinary shares and diluted the attributable portion directly held by the Group to 17.9%. Subsequent to that, the Group acquired another shareholder of the Associate (the “Acquiree”) and increased its total attributable portion in the Associate to 35.8%. The acquisition is considered as an addition to investment in the Associate from the Group’s perspective since the Acquiree has no other operations except holding the Associate.

Particulars of the Group’s associate as at 31 December 2022, 2023 and 2024 and 30 June 2025 are as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
Paid-up registered capital (in HK\$’000) . . . . .	46,585	367,509	450,108	450,108
Attributable portion of the registered capital held directly by the Company (in %) . . . . .	—	—	17.9%	17.9%
Attributable portion of the registered capital held indirectly by the Company (in %) . . . . .	20%	20%	17.9%	17.9%

Summarised financial information of the Associate, adjusted for fair value at the time of acquisition and any differences with accounting policies of the Group, and reconciled to the carrying amounts in the Historical Financial Information, are disclosed below:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$’000	HK\$’000	HK\$’000	HK\$’000
<b>Gross amounts of the associate</b>				
Current assets . . . . .	61,324	126,811	478,678	349,511
Non-current assets . . . . .	78,788	111,727	114,529	104,328
Current liabilities . . . . .	(9,332)	(23,901)	(391,086)	(293,544)
Non-current liabilities . . . . .	(9,570)	(4,860)	(7,444)	(5,519)
Equity . . . . .	121,210	209,777	194,677	154,776
Revenue . . . . .	—	230	26,290	18,147
Loss after tax . . . . .	(63,004)	(67,529)	(76,083)	(40,069)
<b>Reconciled to the Group’s interests in the associates:</b>				
Gross amounts of net assets of the associate . . . . .	121,210	209,777	194,677	154,776
Group’s effective interest rate . . . . .	20.0%	20.0%	35.8%	35.8%
Group’s share of net assets of the associate . . . . .	24,243	41,955	69,700	55,410
Goodwill . . . . .	—	—	27,400	27,400
Carrying amount in the Historical Financial Information . . . . .	<u>24,243</u>	<u>41,955</u>	<u>97,100</u>	<u>82,810</u>

## The Company

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Interest in an associate, at cost . . . .	<u>46,585</u>	<u>77,823</u>	<u>77,823</u>	<u>77,823</u>

The Company's interests in an associate comprise of the investments in RD International Holdings Limited. Summarised financial information of the associate is disclosed above.

## 15 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### The Group

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Non-current</b>				
Deposits . . . . .	<u>13,726</u>	<u>13,559</u>	<u>13,938</u>	<u>11,792</u>
<b>Current</b>				
Prepayment . . . . .	7,909	23,796	28,569	39,101
Other receivables . . . . .	<u>30,334</u>	<u>28,632</u>	<u>16,778</u>	<u>18,966</u>
	<u>38,243</u>	<u>52,428</u>	<u>45,347</u>	<u>58,067</u>
<b>Analysis by maturity date</b>				
Within 12 months . . . . .	38,243	52,428	45,347	58,067
More than 12 months . . . . .	<u>13,726</u>	<u>13,559</u>	<u>13,938</u>	<u>11,792</u>

As at 31 December 2022, 2023 and 2024 and 30 June 2025, all other receivables are unsecured, interest-free and repayable within 12 months.

### The Company

As at 31 December 2022, the other receivables are unsecured, interest-free and repayable within 12 months.

## 16 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Non-current</b>				
Unlisted investment – common share . . . . .	<u>447,603</u>	<u>447,603</u>	<u>388,414</u>	<u>388,414</u>
<b>Current</b>				
Exchange Listed Fund . . . . .	–	–	25,660	17,480
Unlisted fund investment . . . . .	<u>–</u>	<u>–</u>	<u>3,083</u>	<u>2,736</u>
	<u>–</u>	<u>–</u>	<u>28,743</u>	<u>20,216</u>

The balance represents investments held by the Group. The majority of the balance is a strategic investment in an unlisted company that participated in digital assets related business.

## 17 TRADE RECEIVABLES

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Trade receivables . . . . .	—	6,850	28,056	27,051
Accounts receivable . . . . .	55,472	55,472	—	—
Others . . . . .	3,585	3,585	3,298	3,230
Less: expected credit loss (“ECL”) allowances . . . . .	(59,057)	(59,057)	(3,298)	(3,230)
	—	—	—	—
	—	6,850	28,056	27,051

Trade receivables comprise mainly accounts receivables from fund management and a receivable from FTX Trading Ltd. (“FTX”).

The Group utilised FTX before their bankruptcy. As of 11 November 2022, the date FTX filed bankruptcy, the Group had amounts receivable of approximately HK\$55,472,000 from FTX. The balance was considered credit-impaired and fully provided as ECL allowances for the years ended 31 December 2022 and 2023. During the year 2024, due to appreciation of digital assets, approximately HK\$70,796,000 is recovered through negotiation. As such the full amount of ECL allowance was reversed and other gains of approximately HK\$15,324,000 was recognised accordingly. Both balances were presented under “Other (loss)/gains, net” in the consolidated statement profit or loss.

### (i) Reconciliation of ECL allowances during the Track Record Period:

	Stage 1	Stage 2	Stage 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2022 . . . . .	—	—	—	—
ECL allowances charged for the year . . . . .	—	—	59,057	59,057
At 31 December 2022, 1 January 2023, 31 December 2023 and 1 January 2024 . . . . .	—	—	59,057	59,057
ECL allowances reversal during the year . . . . .	—	—	(55,759)	(55,759)
At 31 December 2024, 1 January 2025 . . . . .	—	—	3,298	3,298
ECL allowances reversal during the period . . . . .	—	—	(68)	(68)
At 30 June 2025 . . . . .	—	—	3,230	3,230

The ECL charge/recovery of the balance was presented as part of “net (charge)/recovery of ECL for account receivable” under “Other (loss)/gains, net”.



(ii) Ageing analysis

At the end of each of the reporting period, the ageing analysis of trade receivables, based on the invoice date, is as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Not yet due . . . . .	–	–	2,329	2,355
Within 30 days . . . . .	–	1,208	11,732	11,790
31 to 60 days . . . . .	–	365	6,209	6,483
61 to 90 days . . . . .	–	367	6,435	6,410
Over 90 days . . . . .	59,057	63,967	4,649	3,243
	<u>59,057</u>	<u>65,907</u>	<u>31,354</u>	<u>30,281</u>

Trade receivables are normally due within 3 to 4 months from date of billing. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 35(b)(ii).

**18 DIGITAL ASSETS RECEIVABLES**

Digital assets receivables primarily consist of receivables from on-chain services, which are unsecured, interest-free and are normally recoverable within 30 to 60 days from the service is provided.

**19 INVENTORY — DIGITAL ASSETS**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Digital assets measured at the lower of cost and net realisable value. . .	–	–	44,382	49,247
	<u>–</u>	<u>–</u>	<u>44,382</u>	<u>49,247</u>

The analysis of the amount of digital assets measured at the lower of cost and net realisable value recognised as an expense and included in profit or loss is as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Carrying amount of digital assets sold . . . . .	–	–	131,933	22,145
Write-down of digital assets. . . . .	–	–	7,941	11,021
	–	–	<u>139,874</u>	<u>33,166</u>
	<u>–</u>	<u>–</u>	<u>139,874</u>	<u>33,166</u>

**20 DIGITAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Digital assets measured at fair value through profit or loss . . . . .	60,150	300,869	246,011	249,604
	<u>60,150</u>	<u>300,869</u>	<u>246,011</u>	<u>249,604</u>

Digital assets measured at fair value through profit or loss comprise of inventory measured at fair value less costs to sell and digital assets borrowed. The details of digital assets borrowed are detailed in Note 24. The determination of fair values of the digital assets held by the Group as at 31 December 2022, 2023 and 2024 and 30 June 2025 is detailed in Note 35(c)(iii).

## 21 DERIVATIVE

### The Group and the Company

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Unlisted option. . . . .	–	37,889	–	–
	=	=	=	=

The unlisted option represents the derivative that provides the Group an option to purchase 70% of the Acquiree discussed in Note 14. The option was exercised during 2024, approximately HK\$18,616,000 was credited to non-controlling interest during the acquisition.

## 22 CASH AND CASH EQUIVALENTS

### The Group

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cash and cash equivalents . . . . .	242,423	344,490	306,796	396,588
	=	=	=	=

As at 31 December 2022, 2023 and 2024 and 30 June 2025, trust accounts for client assets that are not recognised as the Group's assets and thus not included in this Historical Financial Information amounted to approximately Nil, HK\$307,652,000, HK\$1,259,063,000 and HK\$1,874,586,000.

### The Company

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cash and cash equivalents . . . . .	–	39,108	101	164
	=	=	=	=

## 23 TRADE PAYABLES

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Trade payables . . . . .	50,539	45,010	10,128	6,158
	=	=	=	=

As at 31 December 2022, 2023 and 2024 and 30 June 2025, all major trade payables are expected to be settled within one year or are payable on demand.

(i) **Ageing analysis**

At the end of each of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Within 30 days . . . . .	<u>50,539</u>	<u>45,010</u>	<u>10,128</u>	<u>6,158</u>

**24 DIGITAL ASSETS PAYABLES**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Digital assets payables to clients . . .	16,565	105,428	9,397	20,744
Digital assets payables to related parties ( <i>Note 36(d)</i> ) . . . . .	<u>8,294</u>	<u>122,965</u>	<u>166,875</u>	<u>151,220</u>
	<u>24,859</u>	<u>228,393</u>	<u>176,272</u>	<u>171,964</u>
Analysis by maturity				
– within 12 months . . . . .	24,859	228,393	157,849	169,259
– more than 12 months . . . . .	<u>–</u>	<u>–</u>	<u>18,423</u>	<u>2,705</u>
	<u>24,859</u>	<u>228,393</u>	<u>176,272</u>	<u>171,964</u>

The settlement terms of digital assets payables to clients are normally one to two days after trade date or at specific terms agreed with clients. As at 31 December 2022, 2023 and 2024 and 30 June 2025, all major digital assets payables to clients are expected to be settled within one year or are repayable on demand.

Digital assets due to the related parties represent digital assets borrowing. They were unsecured and interest-bearing. As at 31 December 2022, 2023 and 2024 and 30 June 2025, the balances were interest-bearing of 5.2% to 10%, 5.2% to 10%, 3% to 10% and 3% to 10% per annum, respectively on their crypto balance.

**25 ACCRUALS AND OTHER PAYABLES**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Staff cost related . . . . .	33,419	114,034	223,721	196,916
Others . . . . .	<u>58,450</u>	<u>58,254</u>	<u>122,279</u>	<u>117,825</u>
Accruals and other payables . . . . .	<u>91,869</u>	<u>172,288</u>	<u>346,000</u>	<u>314,741</u>
Analysis by maturity date				
Within 12 months . . . . .	87,459	167,658	340,681	309,271
More than 12 months . . . . .	<u>4,410</u>	<u>4,630</u>	<u>5,319</u>	<u>5,470</u>
	<u>91,869</u>	<u>172,288</u>	<u>346,000</u>	<u>314,741</u>

As at 31 December 2022, 2023 and 2024 and 30 June 2025, all accruals and other payables were unsecured and interest-free.

## 26 CONTRACT LIABILITIES

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Contract liabilities . . . . .	–	–	63,499	188,917
	=	=	=	=

### Movement in contract liabilities

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January . . . . .	–	–	–	63,499
Increase in contract liabilities as a result of receiving listing fees in advance and token distribution . . . . .	–	–	154,473	153,104
Decrease in contract liabilities as a result of recognising revenue during the year . . . . .	–	–	(90,974)	(27,686)
	=	=	=	=
	–	–	63,499	188,917
	=	=	=	=

In 2024, the Group introduced a gas token, HashKey Platform token (“HSK”). The HSK can be used to redeem it for services through the Group’s trading platform and is tradeable on several crypto exchanges. The HSK is issued to HashKey’s business partners (which include employees, liquidity providers, customers, vendors and others who contribute to the growth of HashKey’s business) from time to time. The HSK creates an obligation to provide services in the future when holders redeem their HSK, thus resulting in a performance obligation of HashKey.

The HSK issued is initially recognised as contract liabilities in the Historical Financial Information. The contract liabilities are initially recognised at the corresponding agreed consideration, which (depending on the agreement) may be a fixed monetary amount or the fair value of HSK at the recognition date.

The Group recognised revenue when the HSK is utilised. The Group estimates expected breakage on HSK by taking into consideration the expected utilisation ratio, which is assessed by management based on the latest operations data available. As at 31 December 2024 and 30 June 2025, the expected utilisation ratio adopted for breakage is 5% and 5%.

Contract liabilities as at the end of each reporting period (i.e., representing HSK issued but not yet redeemed) are measured at cost. After their initial recognition, the contract liabilities are not revalued to HSK’s market price.

## 27 LEASES

The Group leases several properties for office use for an average term of 3 to 6 years. The right-of-use asset and the lease liabilities in respect of the lease were recognised at the lease commencement date. The movement of right-of-use assets is detailed in Note 12. The movements in lease liabilities during the Tracking Record Period are as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Carrying amount as at 1 January . . . . .	8,366	72,709	57,420	45,854
Effect of lease concession . . . . .	(557)	–	–	–
Interests charged for the year/period (Note 7(a)) . . . . .	3,886	3,423	2,786	1,057
Additions . . . . .	74,243	–	5,605	–
Modification of lease . . . . .	–	–	–	(4,071)
Rental paid during the year/period . . . . .	(13,698)	(19,007)	(19,880)	(8,673)
Exchange differences . . . . .	469	295	(77)	(77)
Carrying amount as at 31 December/30 June . . . . .	72,709	57,420	45,854	34,090
	=	=	=	=
<b>Represents:</b>				
Current portion . . . . .	15,675	15,206	16,947	15,453
Non-current portion . . . . .	57,034	42,214	28,907	18,637
	72,709	57,420	45,854	34,090
	=	=	=	=

As at 31 December 2022, 2023 and 2024 and 30 June 2025, the lease liabilities were repayable as follows:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Within 1 year . . . . .	15,675	15,206	16,947	15,453
After 1 year but within 2 years . . .	15,135	14,452	15,575	12,273
After 2 years but within 5 years . . .	41,899	27,762	13,332	6,364
	57,034	42,214	28,907	18,637
	<u>72,709</u>	<u>57,420</u>	<u>45,854</u>	<u>34,090</u>

## 28 BORROWINGS

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Unsecured short-term loans . . . . .	–	13,861	–	–
	=	=	=	=

As at 31 December 2023, the unsecured short-term loans were interest-bearing at 6% per annum and repayable on demand.

## 29 CONVERTIBLE BONDS

### The Group and the Company

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Convertible bonds issued . . . . .	333,192	–	–	–
	=	=	=	=

On 22 September 2022, HashKey Holdings Limited issued 42,000,000 convertible bonds for consideration of US\$42,000,000. Of the total convertible bonds issued, 5,600,000, 2,400,000 and 8,000,000 bonds were issued to the ultimate holding company, parent company and a fund managed by a subsidiary of the Group.

### Conversion right

The convertible bonds shall be converted into different types of participating instruments of HashKey Holdings Limited if a Qualified Next Equity Financing (as defined by the underlying agreements) is consumed on or prior to the maturity date or if HashKey Holdings Limited initiates a Voluntary Conversion (as defined by the underlying agreements).

### Redemption right

Unless converted or the consent to extension has been given by both the convertible bonds holder and HashKey Holdings Limited in writing, the Principal Amount (as defined by the underlying agreements) and any accrued but unpaid interest under the convertible bonds shall be due and payable upon 22 September 2024.

Based on the terms and conditions, the convertible bonds were classified as liabilities in the Historical Financial Information.

On 29 December 2023, all convertible bonds were converted into 88,294,959 preferred shares as full settlement. There were no convertible bonds in issue as at 31 December 2023, 2024 and 30 June 2025.

### 30 REDEMPTION LIABILITIES

#### The Group

Redemption liabilities arise from the terms of the preferred shares issued by the Company and one of its subsidiaries. Since the date of incorporation, the Group has completed several rounds of financing arrangements by issuing preferred shares as below:

	HashQuark Series A	HashQuark Series B	HashKey Series A	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2022 . . . . .	15,501	–	–	15,501
Issue through external financing . . .	–	117,132	–	117,132
Interest expense . . . . .	–	7,508	–	7,508
Foreign exchange movement . . . . .	102	–	–	102
At 31 December 2022 and 1 January 2023 . . . . .	15,603	124,640	–	140,243
Issue through external financing . . .	–	–	398,737	398,737
Issue through convertible bond conversion . . . . .	–	–	446,847	446,847
Interest expense . . . . .	–	9,508	5,217	14,725
Foreign exchange movement . . . . .	17	–	(367)	(350)
At 31 December 2023 and 1 January 2024 . . . . .	15,620	134,148	850,434	1,000,202
Issue through external financing . . .	–	–	235,365	235,365
Allocation to equity component . . .	–	–	(31,218)	(31,218)
Interest expense . . . . .	–	8,517	78,215	86,732
Foreign exchange movement . . . . .	(93)	–	(6,495)	(6,588)
At 31 December 2024 and 1 January 2025 . . . . .	15,527	142,665	1,126,301	1,284,493
Issue through external financing . . .	–	–	379,940	379,940
Allocation to equity component . . .	–	–	(10,899)	(10,899)
Interest expense . . . . .	–	6,300	52,202	58,502
Foreign exchange movement . . . . .	173	–	12,867	13,040
At 30 June 2025 . . . . .	15,700	148,965	1,560,411	1,725,076

#### (a) HashQuark Series A and HashQuark Series B

On 17 July 2020, HashQuark Limited (“HashQuark”), a subsidiary of the Group, issued 4,000,000 series A redeemable preferred shares (“HashQuark Series A”) for a consideration of US\$2,000,000 (equivalent to approximately HK\$15,501,000).

On 9 March 2022, HashQuark issued 5,200,028 series B redeemable preferred shares (“HashQuark Series B”) for a consideration of US\$15,000,000 (equivalent to approximately HK\$117,132,000).

The key features of HashQuark Series A and HashQuark Series B are as follows:

#### Conversion right

HashQuark Series A and HashQuark Series B shall be convertible, at the option of the holder thereof, at any time after the issue date into HashQuark’s ordinary shares or automatically be converted into HashQuark’s ordinary shares upon the closing of a Qualified IPO or a Qualified Token Listing (as defined in the underlying agreement) at the Conversion Price (as defined in the underlying agreement).

### ***Liquidation preference***

Upon the occurrence of any Liquidation Event (as defined in the underlying agreement), the asset legally available for distribution shall be distributed in the following order:

1. The holders of HashQuark Series B are entitled to receive 100% of the Issue Price plus any declared but unpaid dividend;
2. After the distribution in full for (1), the holders of HashQuark Series A are entitled to receive the higher of (i) 100% of the Issue Price plus any declared but unpaid dividend or (ii) the amount that would be payable on each HashQuark Series A if such share is converted into ordinary shares immediately before such Liquidation Event; and
3. After the distribution in full for (1) and (2), the remaining assets will be distributed proportionally among the holders of HashQuark's ordinary shares.

### ***Redemption right***

The holders of HashQuark Series B shall have the right to request HashQuark to redeem all or part of the issued and outstanding HashQuark Series B upon the occurrence of certain contingent events including but not limited to the failure of a Qualified IPO or a Qualified Token Listing before 9 March 2027 and any material breaches of the agreements by the Group. The redemption price is determined as 100% of the issue price with an 8% simple interest rate per annum accrued from the Original Issue Date, plus any declared but unpaid dividends.

The redemption rights granted to the holders of HashQuark Series B shall be terminated upon the consummation of a Qualified IPO or a Qualified Token Listing.

### ***Voting right***

Holder of each HashQuark Series A or HashQuark Series B shall be entitled to such number of votes equals the whole number of HashQuark's ordinary shares into which the HashQuark Series A and HashQuark Series B are converted immediately after the close of business on the record date of the determination of the voting entitlement.

#### **(b) HashKey Series A**

On 26 September 2023 and 11 October 2023, HashKey Holdings Limited (the "Company") issued 38,574,294 and 9,257,831 preferred shares ("HashKey Series A") for consideration of US\$25,000,000 and US\$6,000,000 respectively (equivalent to approximately HK\$195,459,000 and HK\$46,910,000).

On 29 December 2023, the Company issued 119,154,395 HashKey Series A shares, of which 88,294,959 shares were issued as a result of the conversion of convertible bonds as discussed in Note 29. The remaining 30,859,436 shares were issued for consideration of US\$20,000,000 (equivalent to approximately HK\$156,368,000).

On 22 March 2024, 7 May 2024, 27 June 2024, 5 July 2024 and 12 August 2024, the Company issued 40,368,732 HashKey Series A shares for consideration of approximately US\$30,164,000 (equivalent to approximately HK\$235,365,000). The consideration is settled in cash equivalent to approximately HK\$71,105,000 and the remaining amount in USDT.

On 13 January 2025, 14 January 2025, 24 January 2025 and 19 May 2025, the Company issued 72,518,870 HashKey Series A shares for consideration of US\$48,400,000 (equivalent to approximate HK\$379,940,000). The consideration is settled in cash equivalent to approximately HK\$361,100,000 and the remaining amount in Tether ("USDT").

The key features of HashKey Series A are as follows:

### ***Conversion right***

HashKey Series A shall be convertible, at the option of the holder thereof, at any time after the issue date into the Company's ordinary shares or automatically be converted into the Company's ordinary shares immediately prior to the consummation of a Public Offering (as defined in the underlying agreement) at the Conversion Price (as defined in the underlying agreement).

### ***Liquidation preference***

Upon the occurrence of any voluntary or involuntary liquidation, dissolution, winding of the Company, or Deemed Liquidation Event (as defined in the underlying agreement), the assets of the Company available for distribution shall be first distributed to the holders of HashKey Series A for an amount per share equal to the Original Issue Price plus any dividends declared but unpaid thereon. The remaining assets will be distributed proportionally among the holders of the Company's ordinary shares and HashKey Series A on an as-if-converted basis.

### ***Redemption right***

The holders of HashKey Series A shall have the right to request the Company to redeem all or part of the issued and outstanding HashKey Series A upon the occurrence of certain contingent events including but not limited to the failure of a Qualified Exit Event (as defined in the underlying agreement) before 30 June 2028 and any material breaches of the agreements by the Group. The redemption price is determined by the 100% of the issue price with an 8% compound interest rate per annum.

The redemption rights granted to the holders of HashKey Series A shall be terminated upon the consummation of a Public Offering.

### ***Voting right***

Holder of each HashKey Series A shall be entitled to such number of votes as equals the whole number of the Company's ordinary shares into which the HashKey Series A are converted immediately after the close of business on the record date of the determination of the voting entitlement.

The Company's obligation to redeem HashKey Series A for cash upon events that are beyond the control of both the Company and the preferred shareholders gives rise to financial liabilities. The financial liabilities are measured at the highest redemption price (on a present value basis) that could be payable by the Company from time to time. Any changes in the carrying amount of the financial liabilities arising from remeasurement of the redemption amount are recognised in profit or loss and presented in "interest expenses".

#### **The Company**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Redemption liabilities arising from preferred shares issued . . . . .	–	850,434	1,126,301	1,560,411

Redemption liabilities arising from preferred shares issued by the Company contain the same clauses as disclosed above under HashKey Series A.

## **31 AMOUNTS DUE FROM RELATED PARTIES**

#### **The Group**

Refer to Note 36 for details of material transactions with related parties of the Group.

#### **The Company**

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Amount due from subsidiaries</b>				
– interest-free and on demand . . . .	544,724	895,626	1,142,542	1,521,960
<b>Amount due from the ultimate holding company</b>				
– interest-free and on demand . . . .	79	78	55	55



## 32 SHARE-BASED PAYMENT

During the Track Record Period, the Group has two share option schemes, each under HashKey Holdings Limited and HashQuark Limited.

During the years ended 31 December 2022, 2023 and 2024, and six months ended 30 June 2024 and 2025, the Group recognised a share-based payment expense approximately of HK\$3,555,000, HK\$10,430,000, HK\$566,208,000, HK\$500,236,000 and HK\$2,571,000 respectively.

### (a) Share option scheme under HashKey Holdings Limited

The share option scheme of HashKey Holdings Limited was adopted on 18 February 2024 (the “HHL Scheme”). The HHL Scheme is designed to recognise the contributions of eligible individuals. Each option under the HHL Scheme gives the holder the right to subscribe for one ordinary share of HashKey Holdings Limited and is settled gross in shares. The HHL Scheme is recognised as equity-settled share-based payment.

#### *Vesting condition*

Options granted under the HHL Scheme have different vesting conditions as described below.

##### *Plan I*

- 100% of the granted share options shall vest on the grant date immediately.

##### *Plan II*

- 25% of the granted share options will vest on each of the first, second, third, and fourth anniversaries of the commencement date, which is mutually agreed upon by the Group and eligible individuals.

##### *Plan III*

- 50% of the granted share options shall vest on the grant date immediately;
- 25% of the granted share options shall vest on each of the first and second anniversary of the commencement date, which is mutually agreed upon by the Group and eligible individuals.

#### *Non vesting condition*

Options shall not be exercisable to convert to shares until the earlier of the consummation of an eligible public offering or trade sale of the Company.

- (i) The terms and conditions of the grants are as follows:

	Number of share options granted	Vesting condition	Contractual life of options
Options granted in			
– 2024 . . . . .	73,671,426	Plan I	10 years
– 2024 . . . . .	133,167,841	Plan II	10 years
– 2024 . . . . .	53,999,998	Plan III	10 years
– First half of 2025 . . . . .	9,444,701	Plan II	10 years
<b>Total share options granted . . .</b>	<b>270,283,966</b>		

(ii) The number and weighted average exercise prices of the share options are as follows:

	2024		2025	
	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options
	US\$	Shares	US\$	Shares
Outstanding at 1 January . . . .	–	–	0.00001	260,477,658
Granted during the year/period . . . . .	0.00001	260,839,265	0.00001	9,444,701
Forfeited during the year/period . . . . .	0.00001	(361,607)	0.00001	(30,043,484)
Outstanding at 31 December/30 June . . . .	0.00001	260,477,658	0.00001	239,878,875
Exercisable at 31 December/30 June . . . .	0.00001	–	0.00001	–

The options outstanding as at 31 December 2024 and 30 June 2025 had a weighted average remaining life of 8.25 and 7.79 years, respectively.

(iii) Fair value of share options and assumptions

The fair value of the options was determined at the date of grant using Black-Scholes model together with the equity allocation method, taking into account the terms and conditions of the options granted.

The following key assumptions were used to calculate the fair value of the share options

	2024	2025
Fair value . . . . .	US\$0.311-0.440	US\$0.314
Exercise price . . . . .	US\$0.00001	US\$0.00001
Share price at grant date . . . . .	US\$0.311-0.440	US\$0.314
Expected volatility . . . . .	84.40%-86.05%	82.88%
Option life . . . . .	10 years	10 years
Dividend yield . . . . .	0%	0%
Risk-free interest rate . . . . .	2.94%-3.32%	3.29%

The expected volatility was estimated based on the historical volatility of comparable companies. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Certain share options were granted under a service condition which requires the counterparty to complete one to four years of service with the grant company. This condition has not been taken into account in the grant date fair value measurement of the services received. There was no market conditions associated with the share option grants.

#### (b) Share option scheme under HashQuark Limited

The share option scheme of HashQuark Limited was adopted on 1 June 2021 (the “Quark Scheme”). The Quark Scheme is designed to recognise the contributions of eligible individuals. Each option under the Quark Scheme gives the holder the right to subscribe for one ordinary share of HashQuark Limited and is settled gross in shares. The Quark Scheme is recognised as equity-settled share-based payment.

## Vesting condition

Options granted under the Quark Scheme have vesting conditions as described below:

- Plan I — 25% of the granted share options shall vest on each of the first, second, third and fourth anniversaries of the commencement date, which is mutually agreed upon by the Group and eligible individuals.

(i) *The terms and conditions of the grants are as follows:*

	Number of share options granted	Vesting condition	Contractual life of options
Options granted in			
– 2021 . . . . .	3,484,000	Plan I	10 years
– First half of 2025 . . . . .	520,000	Plan I	10 years
<b>Total share options granted . . . . .</b>	<b>4,004,000</b>		

(ii) *Details of the share options vested, cancelled and modification*

	2022		2023		2024		2025	
	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options
	US\$	Shares	US\$	Shares	US\$	Shares	US\$	Shares
Outstanding at 1 January . . . . .	0.57	3,484,000	0.57	3,484,000	0.57	3,484,000	0.57	3,484,000
Granted during the year . . . . .	–	–	–	–	–	–	3.51	520,000
Forfeited during the year . . . . .	–	–	–	–	–	–	3.51	(5,200)
Outstanding at 31 December/ 30 June . . . . .	<u>0.57</u>	<u>3,484,000</u>	<u>0.57</u>	<u>3,484,000</u>	<u>0.57</u>	<u>3,484,000</u>	<u>0.95</u>	<u>3,998,800</u>
Exercisable at 31 December/ 30 June . . . . .	<u>0.57</u>	<u>871,000</u>	<u>0.57</u>	<u>1,742,000</u>	<u>0.57</u>	<u>2,613,000</u>	<u>0.57</u>	<u>3,484,000</u>

The options outstanding as at 31 December 2022, 2023 and 2024 and 30 June 2025 had a weighted average remaining life of 8.42, 7.42, 6.42 and 6.36 years, respectively.

(iii) *Fair value of share options and assumptions*

The fair value of the options was determined at the date of grant using the binomial approach, which is being a subtype of Polynomial Model, taking into account the terms and conditions upon which the options were granted.

The following key assumptions were used to calculate the fair value of the share options:

	2021	2025
Fair value . . . . .	US\$0.66-0.79	US\$1.46
Exercise price . . . . .	US\$0.57	US\$3.51
Share price . . . . .	US\$0.89	US\$2.02
Expected volatility . . . . .	122.77%	114.42%
Option life . . . . .	10 years	10 years
Dividend yield . . . . .	0%	0%
Risk-free interest rate . . . . .	1.48%	3.73%

The expected volatility was estimated based on the historical volatility of comparable companies. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There was no market conditions associated with the share option grants.

### 33 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Reconciliation of loss before tax to net cash used in operations:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
<b>Loss before tax</b> . . . . .	(583,989)	(575,967)	(1,183,470)	(769,708)	(504,700)
Adjustments for:					
Depreciation and amortisation . .	25,588	29,190	30,653	15,669	22,350
Equity-settled share-based payment expenses . . . . .	3,555	10,430	566,208	500,236	2,571
Revenue not settled in cash and cash equivalents . . . . .	(65,765)	(48,531)	(448,020)	(291,454)	(210,815)
Expenses not settled in cash and cash equivalents . . . . .	–	–	183,712	96,179	129,966
Loss from disposal of subsidiary . . . . .	2,911	–	–	–	–
Fair value loss/(gain) on digital assets . . . . .	179,760	(121,192)	(31,240)	23,027	42,622
Fair value (gain)/loss on financial instruments . . . . .	(20,862)	75,766	75,440	(2,200)	8,556
Exchange differences . . . . .	(24,952)	(6,677)	(20,372)	(3,029)	13,670
Interest income . . . . .	(7,736)	(6,600)	(21,631)	(8,268)	(20,362)
Write down of inventory – digital assets . . . . .	–	–	7,941	–	11,021
Impairment . . . . .	59,426	21,072	–	–	68
Finance costs . . . . .	21,572	36,270	169,278	90,513	87,993
Share of net loss from an associate . . . . .	12,601	13,525	6,893	8,943	14,290
<b>Operating cash flow before working capital changes</b> . .	(397,891)	(572,714)	(664,608)	(340,092)	(402,800)
Changes in accruals and other payables . . . . .	16,924	80,419	174,265	125,147	63,402
Changes in amounts due from related parties . . . . .	(9,367)	(9,113)	346	13,999	(11,566)
Changes in amounts due to related parties . . . . .	89,300	(33,288)	23,042	(29,590)	(10,411)
Changes in digital assets . . . . .	43,302	215,993	298,321	173,971	94,499
Changes in intangible assets – digital assets . . . . .	42,289	71,382	36,595	–	9,834
Changes in prepayments and deposits . . . . .	1,717	(14,017)	5,044	(20,844)	(6,333)
Changes in trade receivables . .	22,900	(6,850)	(21,436)	(2,511)	1,005
Changes in trade payables . . .	47,359	(5,529)	(34,882)	(44,464)	(3,970)
<b>Cash used in operations</b> . . . .	(143,467)	(273,717)	(183,313)	(124,384)	(266,340)
Tax paid . . . . .	–	–	–	–	–
<b>Net cash used in operating activities</b> . . . . .	(143,467)	(273,717)	(183,313)	(124,384)	(266,340)

(b) Reconciliation of liabilities arising from financing activities:

	Convertible bonds	Redemption liabilities	Lease liabilities	Borrowings	Amount due to related parties	Total
	Note 29 HK\$'000	Note 30 HK\$'000	Note 27 HK\$'000	Note 28 HK\$'000	Note 36 HK\$'000	HK\$'000
<b>At 1 January 2022</b> . . . . .	–	15,501	8,366	–	629,625	653,492
<b>Changes from financing cash flows:</b>						
Capital element of lease rentals paid . . . . .	–	–	(9,812)	–	–	(9,812)
Interest element of lease rentals paid . . . . .	–	–	(3,886)	–	–	(3,886)
Proceeds from borrowing from related parties . . . .	–	–	–	–	6,844	6,844
Proceeds from the issuance of convertible bonds . . . .	235,463	–	–	–	–	235,463
Proceeds from the issuance of preferred shares . . . . .	–	117,132	–	–	–	117,132
<b>Total changes from financing cash flows</b> . . .	235,463	117,132	(13,698)	–	6,844	345,741
<b>Exchange adjustments</b> . . .	(1,665)	102	469	–	(29,510)	(30,604)
<b>Other changes:</b>						
Finance costs . . . . .	–	7,508	3,886	–	5,001	16,395
Receivables from the issuance of convertible bonds . . . . .	23,546	–	–	–	–	23,546
Fair value loss . . . . .	5,208	–	–	–	–	5,208
Settlement of amount due to related parties from the issuance on convertible bonds and ordinary shares . . . . .	62,791	–	–	–	(354,086)	(291,295)
Movement of amount due to related parties from operating activities . . . . .	–	–	–	–	89,300	89,300
Digital assets received from the issuance of convertible bonds . . . . .	7,849	–	–	–	–	7,849
Increase in lease liabilities from entering into new leases during the year . . .	–	–	74,243	–	–	74,243
COVID-19-related rent concessions received . . . .	–	–	(557)	–	–	(557)
<b>Total other changes</b> . . . . .	99,394	7,508	77,572	–	(259,785)	(75,311)
<b>At 31 December 2022</b> . . . .	333,192	140,243	72,709	–	347,174	893,318

	Convertible bonds	Redemption liabilities	Lease liabilities	Borrowings	Amount due to related parties	Total
	Note 29 HK\$'000	Note 30 HK\$'000	Note 27 HK\$'000	Note 28 HK\$'000	Note 36 HK\$'000	HK\$'000
<b>At 1 January 2023 . . . . .</b>	333,192	140,243	72,709	–	347,174	893,318
<b>Changes from financing cash flows:</b>						
Capital element of lease rentals paid . . . . .	–	–	(15,584)	–	–	(15,584)
Interest element of lease rentals paid . . . . .	–	–	(3,423)	–	–	(3,423)
Proceeds from borrowing from related parties . . . .	–	–	–	–	217,834	217,834
Proceeds from the issuance of preferred shares . . . .	–	203,194	–	–	–	203,194
Proceeds from borrowings . .	–	–	–	119,338	–	119,338
Repayment for borrowings . .	–	–	–	(106,011)	–	(106,011)
<b>Total changes from financing cash flows . . . .</b>	–	203,194	(19,007)	13,327	217,834	415,348
<b>Exchange adjustments . . . .</b>	–	(350)	295	(452)	(9,040)	(9,547)
<b>Other changes:</b>						
Finance costs . . . . .	–	14,725	3,423	986	14,888	34,022
Settlement of amount due to related parties from the issuance on preferred shares . . . . .	–	195,543	–	–	(195,543)	–
Movement of amount due to related parties from operating activities . . . . .	–	–	–	–	162,255	162,255
Fair value loss . . . . .	113,655	–	–	–	–	113,655
Conversion of convertible bonds . . . . .	(446,847)	446,847	–	–	–	–
<b>Total other changes . . . . .</b>	(333,192)	657,115	3,423	986	(18,400)	309,932
<b>At 31 December 2023 . . . .</b>	–	1,000,202	57,420	13,861	537,568	1,609,051

	Convertible bonds	Redemption liabilities	Lease liabilities	Borrowings	Amount due to related parties	Total
	Note 29 HK\$'000	Note 30 HK\$'000	Note 27 HK\$'000	Note 28 HK\$'000	Note 36 HK\$'000	HK\$'000
<b>At 1 January 2024 . . . . .</b>	–	1,000,202	57,420	13,861	537,568	1,609,051
<b>Changes from financing cash flows:</b>						
Capital element of lease rentals paid . . . . .	–	–	(17,094)	–	–	(17,094)
Interest element of lease rentals paid . . . . .	–	–	(2,786)	–	–	(2,786)
Proceeds from borrowing from related parties . . . .	–	–	–	–	116,453	116,453
Repayment for borrowings from related parties . . . .	–	–	–	–	(13,807)	(13,807)
Proceeds from the issuance of preferred shares . . . . .	–	71,105	–	–	–	71,105
<b>Total changes from financing cash flows . . .</b>	–	71,105	(19,880)	–	102,646	153,871
<b>Exchange adjustments . . .</b>	–	(6,588)	(77)	303	(11,784)	(18,146)
<b>Other changes:</b>						
Increase in lease liabilities from entering into new leases during the year . . .	–	–	5,605	–	–	5,605
Finance costs . . . . .	–	86,732	2,786	379	67,838	157,735
Movement of amount due to related parties from operating activities . . . . .	–	–	–	–	23,042	23,042
Non-cash proceeds/settlement. . . . .	–	164,260	–	(14,543)	–	149,717
Allocation to equity. . . . .	–	(31,218)	–	–	–	(31,218)
<b>Total other changes . . . . .</b>	–	219,774	8,391	(14,164)	90,880	304,881
<b>At 31 December 2024 . . . .</b>	–	1,284,493	45,854	–	719,310	2,049,657

	Convertible bonds	Redemption liabilities	Lease liabilities	Borrowings	Amount due to related parties	Total
	Note 29 HK\$'000	Note 30 HK\$'000	Note 27 HK\$'000	Note 28 HK\$'000	Note 36 HK\$'000	HK\$'000
<b>At 1 January 2025</b> . . . . .	–	1,284,493	45,854	–	719,310	2,049,657
<b>Changes from financing cash flows:</b>						
Capital element of lease rentals paid . . . . .	–	–	(7,616)	–	–	(7,616)
Interest element of lease rentals paid . . . . .	–	–	(1,057)	–	–	(1,057)
Repayment for borrowings from related parties . . . .	–	–	–	–	(12,007)	(12,007)
Proceeds from the issuance of preferred shares . . . .	–	361,100	–	–	–	361,100
<b>Total changes from financing cash flows</b> . . .	–	361,100	(8,673)	–	(12,007)	340,420
<b>Exchange adjustments</b> . . .	–	13,040	(77)	–	11,693	24,656
<b>Other changes:</b>						
Finance costs . . . . .	–	58,502	1,057	–	16,891	76,450
Modification of lease contracts . . . . .	–	–	(4,071)	–	–	(4,071)
Movement of amount due to related parties from operating activities . . . . .	–	–	–	–	(10,411)	(10,411)
Non-cash proceeds/settlement . . . . .	–	18,840	–	–	–	18,840
Allocation to equity . . . . .	–	(10,899)	–	–	–	(10,899)
<b>Total other changes</b> . . . . .	–	66,443	(3,014)	–	6,480	69,909
<b>At 30 June 2025</b> . . . . .	–	1,725,076	34,090	–	725,476	2,484,642

(c) **Major non-cash transactions**

During the year ended 31 December 2022,

- digital assets receivables amounting to approximately HK\$18,776,000, were settled in USDT, which is classified as intangible assets — digital assets and digital assets at fair value through profit or loss in the consolidated statements of financial position.
- 35,000,000 new shares were issued to settle the amount due to existing shareholders of HK\$291,295,000, no cash was received from the share issuance.

During the year ended 31 December 2023,

- digital assets receivables, digital assets payables, digital assets due to related parties and digital assets due to the ultimate holding company amounting to approximately HK\$14,905,000, HK\$88,863,000, HK\$73,178,000 and HK\$38,100,000, respectively, were settled in USDT.
- 88,294,959 and 38,574,294 preferred shares with face value of US\$42,000,000 and US\$25,000,000 were issued as a result of the conversion of convertible bonds and settlement of amounts due to the ultimate holding company. No cash was received resulted from such issuance.



During the year ended 31 December 2024,

- digital assets receivables, digital assets payables, digital assets due to related parties, digital assets due to the ultimate holding company and borrowings of approximately HK\$545,000, HK\$96,689,000, HK\$874,000, HK\$36,677,000 and HK\$14,543,000, respectively, were settled using digital assets which are classified as intangible assets — digital assets, digital assets at fair value through profit or loss or inventory — digital assets in the consolidated statements of financial position.
- the Group acquired intangible assets — other, which was settled in USDT equivalent to HK\$77,360,629.
- 40,368,732 preferred shares for consideration of approximately US\$30,164,000. (equivalent to approximately HK\$236,111,000) were issued, of which approximately HK\$164,260,000 was settled in USDT.

During the period ended 30 June 2025,

- digital assets payables, digital assets due to related parties of approximately HK\$11,347,000, and HK\$20,070,000 respectively, were settled using digital assets which are classified as intangible assets — digital assets, digital assets at fair value through profit or loss or inventory — digital assets in the consolidated statements of financial position.
- 72,518,870 preferred shares for consideration of approximately US\$48,400,000 (equivalent to approximately HK\$379,940,000) were issued, of which approximately HK\$18,840,000 was settled in USDT.

### 34 CAPITAL, RESERVES AND DIVIDENDS

#### (a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company's individual components of equity are set out below:

	Share capital	Share premium	Other reserve	Accumulated losses	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 1 January 2022</b> . . . . .	78	—	—	(110)	(32)
Issuance of new shares . . . . .	28	291,267	—	—	291,295
Loss and total comprehensive income for the year . . . . .	—	—	—	(8,545)	(8,545)
<b>At 31 December 2022 and 1 January 2023</b> . . . . .	106	291,267	—	(8,655)	282,718
Loss and total comprehensive income for the year . . . . .	—	—	—	(81,533)	(81,533)
<b>At 31 December 2023 and 1 January 2024</b> . . . . .	106	291,267	—	(90,188)	201,185
Issuance of preferred shares . . .	—	—	31,218	—	31,218
Equity-settled share-based payments under share option scheme . . . . .	—	—	564,151	—	564,151
Loss and total comprehensive income for the year . . . . .	—	—	—	(657,954)	(657,954)

	Share capital	Share premium	Other reserve	Accumulated losses	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 31 December 2024 and 1 January 2025</b> . . . . .	106	291,267	595,369	(748,142)	138,600
Issuance of preferred shares . . .	–	–	10,899	–	10,899
Equity-settled share-based payments under share option scheme . . . . .	–	–	156	–	156
Loss and total comprehensive income for the period . . . . .	–	–	–	(65,603)	(65,603)
<b>At 30 June 2025</b> . . . . .	<u>106</u>	<u>291,267</u>	<u>606,424</u>	<u>(813,745)</u>	<u>84,052</u>

**(b) Dividend**

During the Track Record Period, no dividend was declared by the Company and any of the subsidiaries.

**(c) Share capital**

	Number of shares	Amount
	'000	HK\$'000
<b>Authorised:</b>		
Ordinary shares of US\$0.0001 each at 1 January 2022, 31 December 2022, 1 January 2023. . . . .	<u>500,000</u>	<u>391</u>
Ordinary shares of US\$0.00001 each at 31 December 2023, 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025 . . . . .	<u>5,000,000</u>	<u>391</u>
<b>Issued and fully paid:</b>		
At 1 January 2022. . . . .	100,000	78
Issuance of new shares . . . . .	<u>35,000</u>	<u>28</u>
At 31 December 2022, 1 January 2023 . . . . .	135,000	106
Impact of 1-to-10 subdivision. . . . .	<u>1,215,000</u>	<u>–</u>
At 31 December 2023, 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025 . . . . .	<u>1,350,000</u>	<u>106</u>

On 26 October 2022, 35,000,000 new shares were issued to settle the amount due to existing shareholders of HK\$291,295,000, which was considered as a non-cash transaction. Consequently, HK\$28,000 and HK\$291,267,000 were credited to share capital and share premium respectively.

On 17 August 2023, pursuant to the shareholders' resolution, each Company's ordinary share was subdivided into 10 ordinary shares, the par value of each ordinary share was reduced from US\$0.0001 to US\$0.00001 accordingly.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

**(d) Nature and purposes of reserves**

**(i) Other reserves**

Other reserves comprise all foreign currency translation differences arising from the translation of the financial statements of foreign operations, the cumulative change for equity-settled share-based payments and the equity components of preferred shares issued (see Note 30).

**(ii) Revaluation reserve**

Revaluation reserve comprises the cumulative fair value surplus arising from the revaluation of intangible assets — digital assets, which are accounted for using revaluation model.

**(iii) Share premium**

Share premium represents amount subscribed for share capital in excess of par value.

**(e) Capital management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain or adjust the capital structure to reduce the cost of capital. The Group may issue new shares in order to maintain or adjust the capital structure. The Group's overall strategy remains unchanged during the Track Record Period.

The business plans of the Group mainly depend on maintaining sufficient funding to meet its expenditure requirements. The Group relies on funding from a variety of sources including loans from third parties and related parties as well as equity financing. Should the Group be unable to obtain sufficient funding, both existing operations of the Group and its development plans could be impacted.

The principal subsidiaries of the Group, which are licensed under (i) the Securities and Futures Ordinance ("SFO") by the Securities and Futures Commission in Hong Kong, (ii) the Digital Asset Business Act 2018 ("the Act") by the Bermuda Monetary Authority, (iii) the Securities and Futures Act 2001 ("SFA") and Payment Services Act 2019 ("PS Act") by the Monetary Authority of Singapore, and (iv) the Virtual Assets and Related Activities Regulations 2023 (the "Regulations") by the Dubai Virtual Assets Regulatory Authority, are required to maintain adequate financial resources to support their businesses. The Securities and Futures (Financial Resources) Rules require a licensed corporation to maintain liquid capital which is not less than its required liquid capital. The Act requires a licensed corporation to maintain minimum net assets in the amount of US\$3,200,000 or its value equivalents and minimum capital ratio of 1.25:1 at all times. Under the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations, a holder of a Capital Markets Services ("CMS") licence must at all times maintain financial resources not less than its total risk requirements, and ensure that its adjusted net head office funds are not less than the prescribed minimum base capital. The minimum base capital is S\$250,000 for fund management companies carrying on fund management for accredited and institutional investors. For entities licensed as a Major Payment Institution ("MPI") under the PS Act, the Monetary Authority of Singapore requires the licensee to maintain base capital of at least S\$250,000, and there is regulatory guidance that the licensed entity's base capital must be sufficient to cover 6-12 months of operating expenses, together with other safeguarding requirements under the PS Act and the Payment Services Regulations, on an ongoing basis. The Regulations requires a licensed corporation to maintain net liquid assets worth at least 1.2 times its monthly operating expenses. During the Track Record Period, the Group's licensed subsidiaries have maintained adequate liquid capital to meet their respective requirement. As at 30 June 2025, certain Group's licensed subsidiaries were regulated by the Securities and Futures Commission, the Bermuda Monetary Authority, the Monetary Authority of Singapore and the Dubai Virtual Assets Regulatory Authority, and complied with the relevant statutory capital requirements in those jurisdictions.

In response to the above, the Group regularly reviews major funding positions of regulated subsidiaries to ensure that they have adequate financial resources in meeting their financial obligations and relevant regulatory requirements of the Group entities and seek to diversify its funding sources as appropriate.

## 35 RISK DISCLOSURE

The Group's core business comprises digital asset exchange platforms, brokerage services, management of venture capital funds, Web3 infrastructure services business and technology services.

### (a) Risk management of the digital assets and blockchain platform business

#### (i) Price risk of digital assets

The Group holds digital assets in order to facilitate and support the settlement process of the digital asset trading business. Price volatility of digital assets may have a significant impact on the Group's performance. To manage these risks, the level of digital asset holdings is controlled by limits based on volatility, position size and liquidity, as approved by the management.

#### *Sensitivity*

The following table indicates the instantaneous change in the Group's loss before tax (and retained profits/(accumulated losses)) and other equity component that would arise if the price of digital assets held by the Group had increase/decreased by 10% at the end of each reporting period, assuming all other risk variables remained constant. Considering the strong positive correlation in the prices of different digital assets, the sensitivity analysis is performed on the basis that all digital assets held by the Group were increased/decreased in same direction and percentage.

	As at 31 December 2022		As at 31 December 2023		As at 31 December 2024		As at 30 June 2025	
	Loss before taxation	Other equity	Loss before taxation	Other equity	Loss before taxation	Other equity	Loss before taxation	Other equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	12,423	3,389	9,693	14,380	10,048	20,152	19,244	4,214
10% . . . . .	Improve	Improve	Improve	Improve	Improve	Improve	Improve	Improve
	14,289	1,523	16,591	7,482	13,203	16,997	12,204	11,254
(10%) . . . . .	Worsen	Worsen	Worsen	Worsen	Worsen	Worsen	Worsen	Worsen

The Group also holds digital assets that are not yet withdrawn by customers out of their accounts under the terms of its contracts with such customers. These digital assets are held in the Group's wallets which support rapid settlement of transactions, thereby minimising settlement risk for the Group. According to the respective rights and obligations arising from the underlying terms and conditions with such customers, digital assets held on behalf of clients are not recognised in the Historical Financial Information as explained in Note 2(i)(b). Therefore, the Group has no price volatility exposure from these holdings.

#### (ii) Risk related to safekeeping of assets

The Group maintains digital assets in both "hot" (connected to the Internet) and "cold" (not connected to the Internet) wallets. "Hot" wallets are more susceptible to cyber-attacks or potential theft due to the fact they are connected to the public internet. To mitigate such risks, the Group has implemented guidelines and risk control protocols to adjust the level of digital assets maintained in "hot" wallets required to facilitate settlement.

#### (iii) Credit risk

In connection with the operation of the Group's digital asset trading business, the Group may enter into pre-funding arrangements, extended settlement arrangements or digital asset lending arrangements with trading clients and counterparties (including third party digital asset trading platforms and exchanges), which may expose the Group to credit risk. Credit risk in this context is the risk of non-repayment, non-performance or default by a counterparty in respect of its obligations to the Group in relation to the relevant digital asset transactions.

Management is responsible for managing the Group's credit risk exposure associated with its digital asset trading businesses. To mitigate or reduce such credit risks, trading limits, settlements limits, collateral requirements and other counterparty limits are set and monitored by the management in accordance with policies and procedures.

**(b) Financial risk management**

***Financial risk factors***

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the executive directors of the Group. The executive directors identify and evaluate financial risks in close cooperation with the operating units of the Group.

*(i) Market risk*

*(1) Foreign exchange risk*

The Group operates across the globe including Hong Kong, Bermuda, Singapore, Japan and the UAE. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the individual group companies and net investments in foreign operations.

As at 31 December 2022, 2023 and 2024 and 30 June 2025, most of the financial assets and liabilities of the Group's subsidiaries are denominated in their respective functional currencies.

There are certain United States dollar ("US\$") financial assets and liabilities held by the Company and its subsidiaries with HK\$ as functional currency. Since HK\$ is pegged to the US\$, management considers the foreign exchange risk arising from such financial assets and liabilities to the Group is not significant. Hence, the directors consider the Group does not have any material foreign exchange risk exposure, hence no sensitivity analysis is presented.

*(2) Interest rate risk*

The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing assets and liabilities. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. In the opinion of the management, the expected change in fair values as a result of change in market interest rates will not be significant, thus no sensitivity analysis is presented.

Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. The Group's assets and liabilities, which bear variable interest rates mainly include bank deposits. Accordingly, there is no significant cash flow interest rate risk arising from financial instruments. Management manages the interest rate risk exposure through regular review to determine the treasury and investment strategy as appropriate to its current business profile.

*(ii) Credit risk*

The Group's credit risk is primarily attributable to trade receivables (including accounts receivable), deposits and other receivables, amounts due from related parties and cash and cash equivalents included in the consolidated statement of financial position, which represent the Group's maximum exposure to credit risk in relation to its financial assets. Management has credit policies in place to monitor the exposures to these credit risks on an ongoing basis.

*Trade receivables*

As discussed in Note 17, trade receivables mainly comprise of receivables from fund management and a receivable from FTX. As at 31 December 2022 and 2023, the receivable from FTX accounted for 94% and 84% of total trade receivables. Excluding the exposure to FTX, management considers the credit risk from remaining balances were not material.

The expected credit losses recognised for trade receivables as at 31 December 2022, 2023, 2024 and 30 June 2025 are presented in Note 17.

## Deposits and other receivables

For deposits and other receivables, management considers the credit risk is not significant as the counterparties are with high credit-quality ratings and the balance is with a short maturity date. The expected credit loss for deposits and other receivables is close to zero and the Group did not recognise any expected credit loss as at 31 December 2022, 2023, 2024 and 30 June 2025.

## Amounts due from related parties

Management considers the credit risk for amounts due from related parties is not significant as the counterparties are with strong financial strength and the balance is with a short maturity date. The expected credit loss is close to zero as at 31 December 2022, 2023, 2024 and 30 June 2025. Accordingly, no expected credit loss was recognised.

## Cash and cash equivalents

To manage the risk arising from cash and cash equivalents, the Group transacts with reputable financial institutions, which are high credit-quality banks or other financial institutions where a certain level of deposits is insured by the relevant regulators. The expected credit loss is close to zero as at 31 December 2022, 2023, 2024 and 30 June 2025. Accordingly, no expected credit loss was recognised.

## (iii) Price risk

In addition to the price risk that arises from digital assets, the Group is exposed to price risk arising from investments held, including unlisted equity securities, unlisted fund investment and an Exchange Listed Fund.

## Sensitivity

At 31 December 2022, 2023 and 2024, and 30 June 2025, if the prices of the investments held by the Group had increased/decreased by 10% in the principal markets with other variables held constant, the Group's loss before taxation and equity would have been higher or lower as follow:

	As at 31 December 2022		As at 31 December 2023		As at 31 December 2024		As at 30 June 2025	
	Loss before taxation	Other equity	Loss before taxation	Other equity	Loss before taxation	Other equity	Loss before taxation	Other equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	44,760		44,760		41,716		40,863	
10% . .	Improve	–	Improve	–	Improve	–	Improve	–
	44,760		44,760		41,716		40,863	
(10%) .	Worsen	–	Worsen	–	Worsen	–	Worsen	–

## (c) Fair value measurement and fair value hierarchy

The following tables present the fair value of the Group's certain assets and liabilities measured at fair value at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and the significance of the inputs used in the valuation technique as follows:

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

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

Level 3 valuations: Fair value measured using significant unobservable inputs.

(i) *Fair value hierarchy for financial instruments measured at fair value*

As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial assets measured at fair value through profit or loss</b>				
– Unlisted investment – common shares . . . . .	–	–	447,603	447,603
	=	=	=	=
<b>Financial liabilities measured at fair value through profit or loss</b>				
– Convertible bond . . . . .	–	–	333,192	333,192
	=	=	=	=
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial assets measured at fair value through profit or loss</b>				
– Unlisted investment – common shares . . . . .	–	–	447,603	447,603
<b>Derivative</b>				
– Unlisted option . . . . .	–	–	37,889	37,889
	=	=	=	=
	–	–	485,492	485,492
	=	=	=	=
As at 31 December 2024				
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial assets measured at fair value through profit or loss</b>				
– Unlisted investment – common shares . . . . .	–	–	388,414	388,414
– Exchange Listed Fund . . . . .	25,660	–	–	25,660
– Unlisted fund investment . . . . .	–	–	3,083	3,083
	=	=	=	=
	25,660	–	391,497	417,157
	=	=	=	=
As at 30 June 2025				
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial assets measured at fair value through profit or loss</b>				
– Unlisted investment – common shares . . . . .	–	–	388,414	388,414
– Exchange Listed Fund . . . . .	17,480	–	–	17,480
– Unlisted fund investment . . . . .	–	–	2,736	2,736
	=	=	=	=
	17,480	–	391,150	408,630
	=	=	=	=

During the Track Record Period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfer between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The movements of Level 3 financial assets during the Track Record Period are as follows:

	Unlisted investment – common shares	Unlisted investment – convertible preferred shares	Derivative	Unlisted fund investment	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 1 January 2022</b> . . . . .	421,426	107	–	–	421,533
Fair value changes . . . . .	<u>26,177</u>	<u>(107)</u>	<u>–</u>	<u>–</u>	<u>26,070</u>
<b>At 31 December 2022 and 1 January 2023</b> . . . . .	447,603	–	–	–	447,603
Fair value changes . . . . .	<u>–</u>	<u>–</u>	<u>37,889</u>	<u>–</u>	<u>37,889</u>
<b>At 31 December 2023 and 1 January 2024</b> . . . . .	447,603	–	37,889	–	485,492
Addition . . . . .	–	–	–	3,943	3,943
Settlement . . . . .	–	–	(21,577)	–	(21,577)
Fair value changes . . . . .	<u>(59,189)</u>	<u>–</u>	<u>(16,312)</u>	<u>(860)</u>	<u>(76,361)</u>
<b>At 31 December 2024 and 1 January 2025</b> . . . . .	388,414	–	–	3,083	391,497
Fair value changes . . . . .	<u>–</u>	<u>–</u>	<u>–</u>	<u>(347)</u>	<u>(347)</u>
<b>At 30 June 2025</b> . . . . .	<u>388,414</u>	<u>–</u>	<u>–</u>	<u>2,736</u>	<u>391,150</u>

The movements of Level 3 financial liabilities during the Track Record Period are as follows:

	Convertible bonds issued	Total
	HK\$'000	HK\$'000
<b>At 1 January 2022</b> . . . . .	–	–
Issued during the year . . . . .	329,649	329,649
Fair value changes . . . . .	5,208	5,208
Exchange adjustment . . . . .	<u>(1,665)</u>	<u>(1,665)</u>
<b>At 31 December 2022 and 1 January 2023</b> . . . . .	333,192	333,192
Fair value changes . . . . .	113,655	113,655
Settlement through conversion . . . . .	<u>(446,847)</u>	<u>(446,847)</u>
<b>At 31 December 2023, 1 January 2024, 31 December 2024, 1 January 2024 and 30 June 2025</b> . . . . .	<u>–</u>	<u>–</u>



Information about Level 3 fair value measurements:

	As at 31 December			As at 30 June
	2022	2023	2024	2025
<b>Unlisted investment – common shares</b>				
– Valuation techniques . . . . .	Recent Transaction	Recent Transaction	Recent Transaction	Recent Transaction
– Significant unobservable inputs . . .	Transaction price	Transaction price	Transaction price	Transaction price
– Range . . . . .	N/A	N/A	N/A	N/A
– Relationship of unobservable input to fair value . . . . .	Positive	Positive	Positive	Positive
<b>Unlisted fund investment</b>				
– Valuation techniques . . . . .	N/A	N/A	Net asset value	Net asset value
– Significant unobservable inputs . . .	N/A	N/A	Net asset value	Net asset value
– Range . . . . .	N/A	N/A	N/A	N/A
– Relationship of unobservable input to fair value . . . . .	N/A	N/A	Positive	Positive
<b>Derivative – unlisted option</b>				
– Valuation techniques . . . . .	N/A	Cost approach	N/A	N/A
– Significant unobservable inputs . . .	N/A	Fair value of underlying financial instrument	N/A	N/A
– Amount . . . . .	N/A	US\$10 per share	N/A	N/A
– Relationship of unobservable input to fair value . . . . .	N/A	Positive	N/A	N/A
<b>Unlisted investment – convertible bonds</b>				
– Valuation techniques . . . . .	Recent transaction	N/A	N/A	N/A
– Significant unobservable inputs . . .	Transaction price	N/A	N/A	N/A
– Amount . . . . .	US\$1 per unit	N/A	N/A	N/A
– Relationship of unobservable input to fair value . . . . .	Positive	N/A	N/A	N/A

The fair value of unlisted common shares, unlisted fund investment and unlisted convertible bonds has been determined using the individual inputs as disclosed above. As such, sensitivity analysis does not provide meaningful analysis.

The significant unobservable input used in the fair value measurement for unlisted option was the fair value of the underlying financial instrument. As at 31 December 2023, it is estimated that with all other variables held constant, an increase/decrease in the fair value of the underlying financial instrument by 10% would have increased/decreased the fair value of unlisted option by approximately HK\$5,076,000 and HK\$4,960,000 respectively.

**(ii) Fair value for financial instruments carried at other than fair value**

The carrying amounts for the Group's financial instruments at amortised cost were not materially different from their fair values as at 31 December 2022, 2023 and 2024 and 30 June 2025.

(iii) *Fair value hierarchy for digital assets and related liabilities measured at fair value*

The fair value of intangible assets – digital assets and digital assets measured at fair value through profit or loss are referenced to the quoted price in the principal market. Certain types of digital assets are not traded in an active market for fiat currency but with another type of digital assets only. In such case, the fair value is determined by referencing to the quoted price of the other digital assets and measured at Level 2.

Fair value of digital assets receivables and related liabilities are referenced to the quoted price of the underlying digital assets to be received or repaid.

The following table presents the fair value and the corresponding hierarchy for digital assets and related liabilities measured at fair value:

As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Asset</b>				
Intangible assets – digital assets . . .	117,452	1,198	–	118,650
Digital assets measured at fair value through profit or loss . . . . .	58,869	1,281	–	60,150
Digital assets receivable . . . . .	–	4,179*	–	4,179
	<u>176,321</u>	<u>6,658</u>	<u>–</u>	<u>182,979</u>
<b>Liabilities</b>				
Digital assets payables . . . . .	–	24,859*	–	24,859
	<u>–</u>	<u>24,859</u>	<u>–</u>	<u>24,859</u>

\* As at 31 December 2022, digital assets receivable of approximately HK\$4,144,000 and related liabilities of approximately HK\$23,914,000 are referenced to underlying quoted price of digital assets with active markets.

As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Asset</b>				
Intangible assets – digital assets . . .	164,949	1,428	–	166,377
Digital assets measured at fair value through profit or loss . . . . .	297,803	3,066	–	300,869
Digital assets receivable . . . . .	–	1,875*	–	1,875
	<u>462,752</u>	<u>6,369</u>	<u>–</u>	<u>469,121</u>
<b>Liabilities</b>				
Digital assets payables . . . . .	–	228,393*	–	228,393
	<u>–</u>	<u>228,393</u>	<u>–</u>	<u>228,393</u>

\* As at 31 December 2023, digital assets receivable of approximately HK\$1,201,000 and related liabilities of approximately HK\$228,066,000 are referenced to underlying quoted price of digital assets with active markets.

As at 31 December 2024				
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Asset</b>				
Intangible assets – digital assets . . .	219,792	10,098	–	229,890
Digital assets measured at FVTPL . .	244,687	1,324	–	246,011
Digital assets receivable . . . . .	–	2,375*	–	2,375
	<u>464,479</u>	<u>13,797</u>	<u>–</u>	<u>478,276</u>
<b>Liabilities</b>				
Digital assets payables . . . . .	–	176,272*	–	176,272
	<u>–</u>	<u>176,272</u>	<u>–</u>	<u>176,272</u>

\* As at 31 December 2024, digital assets receivable of approximately HK\$1,255,000 and related liabilities of approximately HK\$176,054,000 are referenced to underlying quoted price of digital assets with active markets.

As at 30 June 2025				
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Asset</b>				
Intangible assets – digital assets . . .	154,359	1,320	–	155,679
Digital assets measured at FVTPL . .	248,994	610	–	249,604
Digital assets receivable . . . . .	–	1,272*	–	1,272
	<u>403,353</u>	<u>3,202</u>	<u>–</u>	<u>406,555</u>
<b>Liabilities</b>				
Digital assets payables . . . . .	–	171,964*	–	171,964
	<u>–</u>	<u>171,964</u>	<u>–</u>	<u>171,964</u>

\* As at 30 June 2025, digital assets receivable of approximately HK\$522,000 and related liabilities of approximately HK\$162,259,000 are referenced to underlying quoted price of digital assets with active markets.

During the Track Record Period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

(iv) *Fair value for digital assets and related liabilities carried at other than fair value*

There were no digital assets and related liabilities carried at other than fair value as at 31 December 2022, 2023.

As at 31 December 2024 and 30 June 2025, “inventory — digital assets” were measured at the lower of cost and net realisable value. The carrying amounts, fair value and the level of fair value hierarchy are disclosed below:

	As at 31 December 2024				
	Carrying amounts	Fair value	Fair value level		
			Level 1	Level 2	Level 3
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Inventory – digital assets	44,382	88,250	88,250	—	—

As at 30 June 2025

	Carrying amounts	Fair value	Fair value level		
			Level 1	Level 2	Level 3
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Inventory – digital assets .	49,247	54,607	50,774	3,833	–

(v) **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with liabilities. The Group's strategy is to minimise its exposure to liquidity risk by monitoring the Group's liquid capital from time to time by performing cash flow forecast with reference to the monthly operating expenses, recoverability of assets items and outstanding liabilities as of each month end. The Group also holds digital assets that are not yet withdrawn by customers out of their accounts under the terms of its contracts with such customers. The Group closely monitors the exposure of digital assets payables to identify any mismatch with digital assets held by the Group, thereby minimising liquidity risk for the Group.

The table below analyses the remaining contractual maturities at the end of each reporting period of the Group's liabilities which are based on contractual maturities and the earliest date the Group may be required to pay.

At 31 December 2022

	Contractual undiscounted cash outflow					Carrying amount at 31 Dec
	With 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial liabilities</b>						
Trade payables . . . . .	50,539	–	–	–	50,539	50,539
Accruals and other payables . . . . .	87,459	–	4,410	–	91,869	91,869
Lease liabilities . . . . .	18,850	17,561	45,041	–	81,452	72,709
Redemption liabilities .	140,243	–	–	–	140,243	140,243
Convertible bonds . . . .	–	378,559	–	–	378,559	333,192
Amounts due to related parties. . . . .	347,174	–	–	–	347,174	347,174
	644,265	396,120	49,451	–	1,089,836	1,035,726
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<b>Digital assets related liabilities</b>						
Digital assets payables .	24,859	–	–	–	24,859	24,859
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	669,124	396,120	49,451	–	1,114,695	1,060,585
	=====	=====	=====	==	=====	=====

At 31 December 2023

	Contractual undiscounted cash outflow					Carrying amount at 31 Dec
	With 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial liabilities</b>						
Trade payables . . . . .	45,010	–	–	–	45,010	45,010
Accruals and other payables . . . . .	167,658	–	4,630	–	172,288	172,288
Lease liabilities . . . . .	17,627	16,171	29,177	–	62,975	57,420
Redemption liabilities .	1,000,202	–	–	–	1,000,202	1,000,202
Amounts due to related parties . . . . .	240,446	297,122	–	–	537,568	537,568
Borrowings . . . . .	14,169	–	–	–	14,169	13,861
	<u>1,485,112</u>	<u>313,293</u>	<u>33,807</u>	<u>–</u>	<u>1,832,212</u>	<u>1,826,349</u>
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<b>Digital assets related liabilities</b>						
Digital assets payables .	<u>228,393</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>228,393</u>	<u>228,393</u>
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	<u>1,713,505</u>	<u>313,293</u>	<u>33,807</u>	<u>–</u>	<u>2,060,605</u>	<u>2,054,742</u>
	=====	=====	=====	=	=====	=====

At 31 December 2024

	Contractual undiscounted cash outflow					Carrying amount at 31 Dec
	With 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial liabilities</b>						
Trade payables . . . . .	10,128	–	–	–	10,128	10,128
Accruals and other payables . . . . .	340,681	–	5,319	–	346,000	346,000
Lease liabilities . . . . .	18,808	15,968	14,372	–	49,148	45,854
Redemption liabilities .	1,284,493	–	–	–	1,284,493	1,284,493
Amounts due to related parties . . . . .	432,116	287,194	–	–	719,310	719,310
	<u>2,086,226</u>	<u>303,162</u>	<u>19,691</u>	<u>–</u>	<u>2,409,079</u>	<u>2,405,785</u>
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<b>Digital assets related liabilities</b>						
Digital assets payables .	<u>157,849</u>	<u>18,423</u>	<u>–</u>	<u>–</u>	<u>176,272</u>	<u>176,272</u>
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	<u>2,244,075</u>	<u>321,585</u>	<u>19,691</u>	<u>–</u>	<u>2,585,351</u>	<u>2,582,057</u>
	=====	=====	=====	=	=====	=====

At 30 June 2025

	Contractual undiscounted cash outflow					Carrying amount at 30 June
	With 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Financial liabilities</b>						
Trade payables . . . . .	6,158	–	–	–	6,158	6,158
Accruals and other payables . . . . .	309,271	–	5,470	–	314,741	314,741
Lease liabilities . . . . .	16,628	12,911	6,455	–	35,994	34,090
Redemption liabilities . . . . .	1,725,076	–	–	–	1,725,076	1,725,076
Amounts due to related parties . . . . .	430,218	295,258	–	–	725,476	725,476
	2,487,351	308,169	11,925	–	2,807,445	2,805,541
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<b>Digital assets related liabilities</b>						
Digital assets payables . . . . .	169,259	2,705	–	–	171,964	171,964
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	2,656,610	310,874	11,925	–	2,979,409	2,977,505
	=====	=====	=====	=	=====	=====

### 36 MATERIAL RELATED PARTY TRANSACTIONS

#### (a) Names and relationships of the related parties that had material transactions with the Group during the Trace Record Period

Name of parties	Relationship with the Group
GDZ International Limited . . . . .	Ultimate controlling party
XChainX Limited. . . . .	Shareholder
Shanghai Buqin Network Technology Limited* . . . . .	Under common control of ultimate controlling party
Shanghai Wanxiang Blockchain Inc*. . . . .	Under common control of ultimate controlling party
Wanxiang (Hong Kong) Limited . . . . .	Under common control of ultimate controlling party
HashKey FinTech Investment Fund LP . . . . .	Fund managed by a subsidiary
HashKey Blockchain Investment Fund . . . . .	Fund managed by a subsidiary
HashKey Digital Investment Fund SPC . . . . .	Fund managed by a subsidiary
HashKey FinTech Investment Fund III (Cayman Master) LP . . . . .	Fund managed by a subsidiary
HashKey Fintech Opportunities Limited . . . . .	Fund managed by a subsidiary
HashKey FTSE 20 Crypto Index Fund . . . . .	Fund managed by a subsidiary
HashKey FTSE Crypto Application Index Fund . . . . .	Fund managed by a subsidiary
HashKey FTSE Crypto Infrastructure Index Fund . . . . .	Fund managed by a subsidiary
Lu Weiding . . . . .	Director and sole shareholder of GDZ International Limited
Xiao Feng . . . . .	Director and sole shareholder of XChainX Limited

\* The official names of these entities are in Chinese. The English names are for identification purpose only.

**(b) Key management personnel remuneration**

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 9 and certain of the highest paid employees as disclosed in Note 10, is as follows.

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Salaries, wages and other benefits . . . . .	10,157	29,826	33,774	8,455	9,320
Equity-settled share-based payment . . . . .	—	—	103,694	87,272	9,885
	<u>10,157</u>	<u>29,826</u>	<u>137,468</u>	<u>95,727</u>	<u>19,205</u>

Total remuneration is included in “staff costs” (see Note 7(b)).

**(c) Material transactions with related parties**

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
IT expenses					
– Under common control of ultimate controlling party. . . . .	151,141	157,171	199,803	101,626	97,070
Finance cost					
– to the ultimate holding company . . . . .	5,001	11,215	9,325	1,323	9,050
– Under common control of ultimate controlling party. . . . .	—	644	61,732	46,734	15,992
– Funds managed by a subsidiary . . . . .	672	942	7,637	4,054	2,070
– Director and sole shareholder of GDZ International Limited. . .	—	2,808	106	106	—
Asset management fee income					
– Funds managed by a subsidiary . . . . .	72,172	78,894	78,156	37,653	37,762

(d) Material balance with related parties

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amounts due from				
– the ultimate holding company (Note i) . . . . .	2,760	4,025	–	–
– Director and sole shareholder of XChainX Limited (Note i) . . . . .	3,022	3,039	–	–
– Under common control of ultimate controlling party (Note i) . . . . .	8,944	18,254	24,817	32,272
– Funds managed by a subsidiary (Note ii) . . . . .	197	–	130	–
	<u>14,923</u>	<u>25,318</u>	<u>24,947</u>	<u>32,272</u>
Amounts due to				
– the ultimate holding company (Note iii) . . . . .	–	–	117,455	118,731
– Director and sole shareholder of GDZ International Limited (Note iii) . . . . .	6,844	9,902	–	–
– Under common control of ultimate controlling party (Note iv) . . . . .	340,330	312,084	391,270	393,792
– Under common control of ultimate controlling party (Note v) . . . . .	–	203,862	202,860	205,120
– Funds managed by a subsidiary (Note v) . . . . .	–	11,720	7,725	7,833
	<u>347,174</u>	<u>537,568</u>	<u>719,310</u>	<u>725,476</u>
Digital assets payable				
– ultimate holding company (Note vi) . . . . .	–	39,246	78,923	81,780
– Funds managed by a subsidiary (Note vi) . . . . .	8,294	83,719	87,952	69,440
	<u>8,294</u>	<u>122,965</u>	<u>166,875</u>	<u>151,220</u>
	<u>Shares</u>	<u>Shares</u>	<u>Shares</u>	<u>Shares</u>
	'000	'000	'000	'000
Convertible bonds				
– ultimate holding company . . . . .	5,600	–	–	–
– shareholder . . . . .	2,400	–	–	–
– Fund managed by a subsidiary . . . . .	8,000	–	–	–
	<u>16,000</u>	<u>–</u>	<u>–</u>	<u>–</u>



	As at 31 December			As at 30 June
	2022	2023	2024	2025
	Shares	Shares	Shares	Shares
	'000	'000	'000	'000
Preferred shares – HashKey Series A				
– ultimate holding company . . . . .	–	50,917	50,917	50,917
– shareholder . . . . .	–	5,290	5,290	5,290
– Fund managed by a subsidiary . . .	–	17,633	17,633	17,633
	–	<u>73,840</u>	<u>73,840</u>	<u>73,840</u>
	=	<u><u>73,840</u></u>	<u><u>73,840</u></u>	<u><u>73,840</u></u>

*Notes:*

- (i) The outstanding balances with these related parties are unsecured, interest-free and repayable on demand. Except balance with companies under common control of ultimate controlling party, all balances are non-trade nature.
- (ii) The outstanding balances with these related parties are trade in nature, unsecured, interest-free and repayable within 12 months.
- (iii) The outstanding balance with these related parties is non-trade nature, unsecured and charged at fixed interest rate at 6.83% to 10% per annum as at 31 December 2022, 2023 and 2024 and 30 June 2025.
- (iv) The outstanding balance represents IT services payable rendered by related parties. They are unsecured and charged at fixed interest rate at 5.87%. As at 31 December 2022, 2023 and 2024 and 30 June 2025, approximately Nil, HK\$297,122,000, HK\$287,194,000 and HK\$295,258,000 were repayable after 1 year.
- (v) The outstanding balance with these related parties is non-trade nature, unsecured and charged at fixed interest rate range from 3.66% to 6% per annum, 4% to 6% per annum and 4% to 6% annum as at 31 December 2023 and 2024 and 30 June 2025.
- (vi) The outstanding balances with these related parties are non-trade in nature, denominated in digital assets, unsecured and charged at fixed interest rate range at 5.2% per annum, from 5.2% to 10% per annum, 3% to 10% per annum and 3% to 10% per annum as at 31 December 2022, 2023 and 2024 and 30 June 2025.
- (vii) As of the date of this report, outstanding balances that are non-trade in nature have been settled.

### 37 INVESTMENT IN SUBSIDIARIES

#### The Company

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Investment in subsidiaries, at cost . .	<u>1,095</u>	<u>1,095</u>	<u>44,465</u>	<u>44,465</u>

During the Track Record Period and as at the date of this report, the Company has direct or indirect interests in the following principal subsidiaries:

Company name	Place and date of incorporation/ establishment	Particulars of issued and paid-up capital	Effective interest held by the Group				Principal activities	Name of auditor	
			As at 31 December			As at 30 June 2025			At the date of this report
			2022	2023	2024				
<i>Directly held by the Company</i>									
HashKey Digital Asset Group Limited <sup>(2)</sup> . . . . .	Hong Kong/ 20 March 2018	HK\$10,000,000	100%	100%	100%	100%	Investment holding	KPMG	
<i>Indirectly held by the Company</i>									
Hash Blockchain Limited <sup>(2)</sup> . . . . .	Hong Kong/ 21 March 2018	HK\$351,500,000	100%	100%	100%	100%	Provision of digital assets exchange platform	KPMG	
Wancloud Limited <sup>(2)</sup> . . . . .	Hong Kong/ 30 April 2018	HK\$1,000,000 Ordinary shares	100% <sup>(5)</sup>	100% <sup>(5)</sup>	100% <sup>(5)</sup>	100% <sup>(5)</sup>	Provision of enterprise-level technology services and solutions and staking services relating to digital assets	KPMG	
HashKey FinTech Investment <sup>(1)</sup> . . . . .	Cayman Islands/ 13 June 2019	US\$0.01	100%	100%	100%	100%	Provision asset management services	N/A	
HashKey Bermuda Limited <sup>(3)</sup> . . . . .	Bermuda/ 10 October 2023	US\$1	–	100%	100%	100%	Provision of digital assets exchange platform	2022: N/A 2023: N/A 2024: KPMG	
HashKey Technology Services Pte. Ltd. <sup>(4)</sup> . . . . .	Singapore/ 25 October 2019	US\$3,300,227	100%	100%	100%	100%	Provision of financial services activities and to perform transaction and payment processing service	KPMG LLP	

Company name	Place and date of incorporation/ establishment	Particulars of issued and paid-up capital	Effective interest held by the Group					Principal activities	Name of auditor
			As at 31 December		As at 30 June 2025	At the date of this report			
			2022	2023					
HashKey MENA FZE <sup>(1)</sup>	United Arab Emirates/ 15 August 2024	United Arab Emirates dirham (“AED”) 7,350,000	–	–	100%	100%	100%	Provision of digital assets exchange platform	N/A
HBS (Hong Kong) Limited <sup>(2)</sup> (former name: HashKey Brokerage Services Limited)	Hong Kong/ 27 September 2019	HK\$10,000,000	100%	100%	100%	100%	100%	Provision of tokenisation advisory service.	KPMG

All principal subsidiaries comprising the Group have adopted 31 December as their financial year end date.

In the opinion of directors of the Company, there is no material non-controlling interest as at 31 December 2022, 2023, 2024 and 30 June 2025. There were no material transactions with non-controlling interests during the Track Record Period except the exercise of derivative disclosed in Note 21.

*Note 1:* No audited financial statements were prepared for these entities during the Track Record Period.

*Note 2:* The financial statements of these entities were prepared in accordance with HKFRS Accounting Standards.

*Note 3:* No audited financial statements were prepared for this entity for the years ended 31 December 2022 and 2023.

*Note 4:* The financial statements of this entity were prepared in accordance with SFRS Accounting Standards.

*Note 5:* The interest attributable to the Group for the entity is 78.3% if preferred shares are taken into account.

### 38 SIGNIFICANT NON-ADJUSTING EVENTS AFTER THE TRACK RECORD PERIOD

#### (i) Issuance of preferred shares

On 11 July 2025, 14 August 2025, 26 August 2025, 28 August 2025 and 29 August 2025, the Company issued 316,160,460 preferred shares — HashKey Series A for the consideration of US\$214,178,056, equivalent to approximately HK\$1,681,298,000, of which 586,329 preferred shares were issued to an entity under common control of ultimate controlling party and 76,285,797 to the ultimate controlling party.

The issuance of 76,285,797 preferred shares to the ultimate controlling party is settled by offsetting the corresponding amount due to the ultimate controlling party and an entity under ultimate controlling party's common control, no cash was received from this transaction. Approximately HK\$406,615,000 was offset on the transaction date.

The newly issued preferred shares contain the same rights and preference as disclosed in Note 30(b).

#### (ii) Amended clause for the Quark Scheme

On 18 August 2025, upon the mutual agreement between HashQuark Limited and eligible individuals 3,998,800 of share options granted under the Quark Scheme was converted to 14,470,070 share options under the HHL Scheme with the same terms and conditions of the HHL Scheme.

### 39 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

As at the date of this report, the Directors consider the immediate parent and ultimate controlling party of the Group to be GDZ International Limited, a British Virgin Islands incorporated limited company.

### 40 POSSIBLE IMPACTS OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ACCOUNTING PERIOD BEGINNING 1 JANUARY 2025

Up to the date of this report, the IASB has issued a number of amendments, new standards and interpretations, which are not yet effective for the accounting period beginning 1 January 2025 and which have not been adopted in preparing the Historical Financial Information. These developments include:

	Effective for the accounting periods beginning on or after
Amendments to IFRS 9 and IFRS 7, <i>Contracts Referencing Nature-dependent Electricity</i> . . . . .	1 January 2026
Amendments to IFRS 9, <i>Financial instruments</i> and IFRS 7, <i>Financial instruments: disclosures</i> – Amendments to the classification and measurement of financial instruments . . . . .	1 January 2026
Annual improvements to IFRS Accounting Standards – Volume 11 . . . . .	1 January 2026
IFRS 18, <i>Presentation and disclosure in financial statements</i> . . . . .	1 January 2027
IFRS 19, <i>Subsidiaries without public accountability: disclosures</i> . . . . .	1 January 2027
Amendments to IFRS 10 and IAS 28, <i>Sale or contribution of assets between an investor and its associate or joint venture</i> . . . . .	To be determined

The Group is in the process of making an assessment of what the impact of these developments are expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Historical Financial Information except for the followings.

#### IFRS 18, *Presentation and disclosure in financial statements*

IFRS 18 will replace IAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18. IFRS 18 will impact the presentation of financial statements and is not expected to have significant impact on the financial performance and positions of the Group.

## **SUBSEQUENT FINANCIAL STATEMENTS**

No audited financial statements have been prepared by the Company and its subsidiaries in respect of any period subsequent to 30 June 2025.