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HARBOUR DIGITAL

Harbour Digital Asset Capital Limited

港灣數字產業資本有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 913)

**ANNOUNCEMENT OF FINAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

The board of directors (the “**Board**”) of Harbour Digital Asset Capital Limited (formerly known as “Unity Investments Holdings Limited”) (the “**Company**”) hereby announces the consolidated results of the Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) for the year ended 31 December 2024 (the “**Year**”) with comparative figures for the preceding year ended 31 December 2023 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Gross proceeds from disposal of trading securities		<u>2,928</u>	<u>10,405</u>
Loss from sale of listed equity investments at fair value through profit or loss (“FVPL”)		(2,821)	(23,593)
Revenue	4	1,226	1,443
Other income	4	1,903	1,959
Changes in fair value of listed equity investments at FVPL		(11,945)	6,787
Reversal of impairment losses under expected credit loss model, net		829	4,948
Operating expenses		<u>(6,040)</u>	<u>(6,327)</u>
Loss before tax	6	(16,848)	(14,783)
Income tax expense	7	<u>–</u>	<u>–</u>
Loss and total comprehensive expense for the year attributable to equity holders of the Company		<u>(16,848)</u>	<u>(14,783)</u>
		HK\$	HK\$
Loss per share – Basic and diluted	8	<u>(0.06)</u>	<u>(0.05)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
Non-current asset			
Debt investment measured at amortised cost		<u>18,314</u>	<u>18,159</u>
Current assets			
Equity investments at fair value through profit or loss		106,597	112,441
Deposits and prepayments		1,338	242
Due from securities brokers	9	4,358	3,000
Other receivables		30,899	35,325
Bank balances and cash		<u>11,351</u>	<u>1,978</u>
		<u>154,543</u>	<u>152,986</u>
Current liabilities			
Other payables and accruals		840	840
Due to securities brokers	10	<u>–</u>	<u>1</u>
		<u>840</u>	<u>841</u>
Net current assets		<u>153,703</u>	<u>152,145</u>
Total assets less current liabilities		<u>172,017</u>	<u>170,304</u>
NET ASSETS		<u>172,017</u>	<u>170,304</u>
Capital and reserves			
Share capital		355	281
Reserves		<u>171,662</u>	<u>170,023</u>
TOTAL EQUITY		<u>172,017</u>	<u>170,304</u>
		HK\$	HK\$
Net asset value per share		<u>0.48</u>	<u>0.60</u>

Notes:

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at Room 1006, 10th Floor, 299QRC, 287-299 Queen’s Road Central, Sheung Wan, Hong Kong.

The principal activities of the Group are engaged in the investment in listed and unlisted financial assets.

2. MATERIAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements also comply with applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2023 consolidated financial statements except for the adoption of the following amendments to HKFRSs that are relevant to the Group and effective from the current year.

Adoption of Amendments to HKFRSs

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

Impacts on application of Amendments to HKFRS 16 Lease Liability in a Sale and Leaseback

The Group has applied the amendments for the first time in the current year.

The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements of HKFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require a seller-lessee to determine “lease payments” or “revised lease payments” such that the seller-lessee would not recognise a gain or loss that relates to the right of use retained by the seller-lessee. The amendments also clarify that applying the requirements does not prevent the seller-lessee from recognising in profit or loss any gain or loss relating to subsequent partial or full termination of a lease.

According to the transitional provisions, the Group has applied the new accounting policy retrospectively to the sale and leaseback transactions entered into by the Group as the seller-lessee after the initial application of HKFRS 16. The application of the amendments has no material impact on the Company's financial position and performance.

Impacts on application of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the "2020 Amendments") and Amendments to HKAS 1 Non-current Liabilities with Covenants (the "2022 Amendments")

The Group has applied the amendments for the first time in the current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or noncurrent, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the classification should not be affected by management intentions or expectations to settle the liability within 12 months.
- clarify that the settlement of a liability can be a transfer of cash, goods or services, or the entity's own equity instruments to the counterparty. If a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 Financial Instruments: Presentation.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specifically clarify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. The 2022 Amendments also specify that covenants with which an entity must comply after the reporting date (i.e. future covenants) do not affect the classification of a liability as current or non-current at the reporting date. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants, the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

In accordance with the transition provision, the Group has applied the new accounting policy to the classification of liability as current or non-current retrospectively. The application of the amendments in the current year had no material impact on the consolidated financial statements.

Impacts on application of Amendments to HKAS 7 and HKFRS 7 Supplier Finance Arrangements

The Group has applied the amendments for the first time in the current year.

The amendments add a disclosure objective to HKAS 7 Statement of Cash Flows stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows.

In addition, HKFRS 7 Financial Instruments: Disclosures was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

In accordance with the transition provision, the entity is not required to disclose comparative information for any reporting periods presented before the beginning of the annual reporting period in the first year of application as well as the information required by HKAS 7:44 (b)(ii) and (b)(iii) above as at the beginning of the annual reporting period in which the entity first applies those amendments.

The application of the amendments in the current year had no material impact on the consolidated financial statements.

3. FUTURE CHANGES IN HKFRSs

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new and amendments to HKFRSs that are not yet effective for the current year, which the Group has not early adopted:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ³
Amendments to HKAS 21	Lack of Exchangeability ²
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

The directors of the Company anticipate that the application of all new and amendments to HKFRSs is unlikely to have a material impact on the Group's financial position and performance as well as disclosure in foreseeable future.

4. REVENUE AND OTHER INCOME

The Group is principally engaged in the investment in listed and unlisted financial assets. Revenue recognised during the year are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue		
Dividend income from listed equity investments at FVPL	26	243
Interest income from debt investment	<u>1,200</u>	<u>1,200</u>
	<u>1,226</u>	<u>1,443</u>
Other Income		
Interest income from amount due from broker	3	9
Interest from other receivables	<u>1,900</u>	<u>1,950</u>
	<u>1,903</u>	<u>1,959</u>
	<u><u>3,129</u></u>	<u><u>3,402</u></u>

5. SEGMENT INFORMATION

For the purpose of internal reporting, the Group only has one business segment, namely, investment in listed and unlisted financial assets, which is also the Group's primary basis of segment reporting. Accordingly, the Group is not required to present the segment information on revenue, contribution to operating profit, assets and liabilities that are attributable to single segment.

Geographical information

The geographical location from which the Group derives revenue is based on the location of the markets of the respective investments; and the geographical location of the specified non-current assets is based on the physical location of the asset. As all of the Group's revenue and non-current assets are principally attributable to and located in Hong Kong, accordingly, no geographical information is represented.

6. LOSS BEFORE TAX

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
This is stated after charging/(crediting):		
Staff costs (excluding directors' remuneration):		
Salaries and allowance	500	523
Discretionary bonuses	–	14
Retirement scheme contributions	19	19
	<u>519</u>	<u>556</u>
Other items		
<i>Auditor's remuneration</i>		
– audit services	342	380
– other services	38	–
	<u>380</u>	<u>380</u>
Expenses related to short term lease	<u>192</u>	<u>177</u>
Disclosures pursuant to Rule 21.12(1)(c) of the Listing Rules		
Realised loss from sale of listed equity investments (i)	2,821	23,593
Unrealised loss/(gain) on listed equity investments (ii)	<u>11,945</u>	<u>(6,787)</u>

Notes:

- (i) The amounts are calculated based on the sales proceeds less cost of those listed equity investments.
- (ii) The amounts represented changes in fair value of unrealised investments during the year and cumulative change in fair value of realised investments.

7. INCOME TAX EXPENSE

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

No provision for Hong Kong Profits Tax was made in the consolidated financial statements as the Group did not derive any assessable profits in Hong Kong for the years ended 31 December 2024 and 2023.

8. LOSS PER SHARE

The calculation of basic loss per share is based on the Group's loss attributable to the equity holders of the Company of HK\$16,848,000 (2023: HK\$14,783,000) and the weighted average number of approximately 300,711,000 (2023: 281,182,000) ordinary shares in issue during the year.

As exercise of share options of the Company would result in a decrease in loss per share, diluted loss per share is the same as basic loss per share in the year ended 31 December 2024 and 2023.

9. DUE FROM SECURITIES BROKERS

Amounts due from securities brokers represent deposits placed with securities brokers for the trading of listed investments which are repayable on demand and interest-bearing at 0.01%.

10. DUE TO SECURITIES BROKERS

Amounts due to securities brokers represent margin loans arising from the trading of listed investments which are repayable on demand. No ageing analysis is disclosed in respect of due to securities brokers. In the opinion of the directors of the Company, an ageing analysis does not give additional value in view of the Group's business nature.

FINAL RESULTS AND FINAL DIVIDEND

The Group's audited consolidated net loss attributable to shareholders was approximately HK\$16.8 million for the Year (2023: *HK\$14.8 million*) which was mainly attributable to the net loss on listed investments and impairment of financial assets. Loss per share for the Year was approximately HK\$0.06 (2023: *HK\$0.05*).

The Board does not recommend the payment of a final dividend for the Year (2023: *Nil*).

BUSINESS REVIEW

The Company is an investment company and the Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 27 October 1999, pursuant to Chapter 21 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). During the Year, the Group remains principally engaged in listed investments in Hong Kong and in unlisted companies.

Given the liquidity of stock markets worldwide was continuously improved during the Year, the performance of listed investments of the Group enhanced accordingly. The listed equity investments has posted net realised loss of approximately HK\$2.8 million (2023: *HK\$23.6 million*) and unrealised loss of approximately HK\$11.9 million (2023: *gain of HK\$6.8 million*). During the Year, the Board remained focus on listed equity in Hong Kong. The Company is cautious in identifying any investment opportunities to achieve medium-term or long-term capital appreciation.

In order to keep reasonable spread of the Group's investments, the Board will maintain a diversified investment portfolio to cover a wide range of business sectors, including, but not limited to, companies engaged in sectors such as finance, consumer goods and services, media, construction, mining, etc.

The investment portfolio of the Group as at 31 December 2024 mainly comprises of a portfolio of listed shares in 34 companies of HK\$106.6 million and investment in unlisted bond investment in a listed company of HK\$18.3 million which represent approximately 62.0% and 10.6% of the Group's consolidated net asset value respectively.

In connection with unlisted bond investment, the Group held an unlisted bond Investment in AMCO United Holding Limited ("**AMCO**").

AMCO is a company incorporated in Bermuda with limited liability and principally engaged in medical device businesses. The company operates through four business segments, namely Medical Devices Business, Plastic Molding Business, Money Lending Businesses and Securities Investment. The company operates businesses in the regions of Asia, Europe and North and South Americas. It is listed on main board of the Stock Exchange (stock code: 630). Based on AMCO's interim report for the six months ended 30 June 2024, its net asset value was approximately HK\$35.9 million, its net current assets were approximately HK\$66.8 million. Accordingly, the Company considers that AMCO has sufficient working capital to meet the ongoing business, there is no signal of default of bonds issued by AMCO.

Based on the valuation reports and other relevant documents, the valuation of the Group's stake in AMCO as at 31 December 2024 were approximately HK\$18.3 million. There was increase in the value of investment in bond investment in AMCO of approximately HK\$0.2 million during the Year.

The Group held three significant listed equity investments, which are WLS Holdings Limited ("**WLS**") (HKSE stock code: 8021), China Jicheng Holdings Limited ("**China Jicheng**") (HKSE stock code: 1027) and China Investment and Finance Group Limited ("**China Investment**") (HKSE stock: 1226) as at 31 December 2024.

WLS is principally engaged in the scaffolding and fitting out services, management contracting services and other services for construction and buildings work and money lending business. For the year ended 30 April 2024, the audited consolidated loss attributable to owners of WLS was HK\$11.1 million. The percentage of fair value of the Group's investment in WLS to the Group's total assets as at 31 December 2024 was approximately 14.5%. The unrealised loss on the Group investments in WLS during the Year was approximately HK\$1.2 million. WLS expressed in its interim report 2024/25, leveraging the widespread recognition of the impeccable quality of services and the strong relationships nurtured with clientele, WLS receives positive feedback and prominent business support and takes pride in being one of the leading scaffolding service providers in Hong Kong. The Company believes the WLS's business strategy is in line with the overall direction of the government's strategic development plans for property construction, infrastructure investment and financial market development, and profit will be generated in medium terms.

China Jicheng is principally engaged in the manufacturing and sale of POE umbrellas, nylon umbrellas and umbrella parts such as plastic cloth and shaft. For the financial year ended 31 December 2023, the audited consolidated loss attributable to owners of China Jicheng was RMB92.8 million. The percentage of fair value of the Group's investment in China Jicheng to the Group's total assets as at 31 December 2024 was approximately 9.1%. The unrealised loss on the Group investments in China Jicheng during the Year was approximately HK\$3.4 million. China Jicheng will shift business focus from developing upstream manufacturing to downstream distribution network and brand building so as to facilitate promotion of China Jicheng's branded umbrellas and create higher values as well as bringing better return to their shareholders. The Company believes the China Jicheng's will continue to explore the potential of this business opportunities and utilize its resource with prudence in the future, and China Jicheng will bring positive return to its shareholders in long run.

China Investment is principally engaged in the businesses of investments in listed equities, unlisted debt and unlisted equities. For the year ended 31 March 2024, the audited consolidated loss attributable to owners of China Investment was HK\$37.8 million. The percentage of fair value of the Group's investment in China Investment to the Group's total assets as at 31 December 2024 was approximately 6.5%. The unrealised gain on the Group investments in China Investment during the Year was approximately HK\$5.8 million. Based on China Investment's 2024 annual report, the management will continue to take a prudent approach in managing the China Investment's investment portfolio and develop the investment strategies. Given the increasing influence of China against the global economy, China Investment will still be based mainly on Chinese economy, China Investment will continue to look for investment opportunities which offer outstanding returns under the acceptable risk in the portfolio of China Investment. The Company agrees the China Investment's strategy to maintain its cautiously optimistic outlook and explore other suitable investment opportunities which are able to bring satisfactory and sustainable returns to China Investment and maximize its shareholders' value.

Performance of the Group's Listed Securities

The loss on listed securities of approximately HK\$14.7 million for the Year represented net realised loss in disposal of listed securities of approximately HK\$2.8 million and net unrealised loss of listed securities of approximately HK\$11.9 million. Set out below are further information of these net realised gain and unrealised gain:

Net Realised Loss on Disposal of Listed Securities

The net realised loss on disposal of listed securities of approximately HK\$2.8 million mainly represented the realised loss on disposal of equity investment in Volcano Spring International Holdings Limited (HKSE stock code: 1715) and China New Consumption Group Limited (HKSE stock code: 8275) of approximately HK\$1.3 million and HK\$1.5 million respectively.

Net Unrealised Loss of Listed Securities

The net unrealised loss of approximately HK\$11.9 million represented the unrealised gain of approximately HK\$10.9 million net of unrealised loss of approximately HK\$22.8 million.

The unrealised gain principally represented:

Company name	HKSE Stock code	Unrealised gain <i>HK\$ million</i>
China Investment and Finance Group Limited	1226	5.8
Hao Wen Holdings Limited	8019	3.0

In addition to the above two stocks, there is no stock which brought over HK\$2 million unrealised gain to the Group during the Year.

The unrealised loss principally represented:

Company name	HKSE Stock code	Unrealised loss <i>HK\$ million</i>
SEEC Media Group Limited	205	7.3
China Jicheng Holdings Limited	1027	3.4
Taste Concepts Holding Limited	8096	1.7

In addition to the above two stocks, there is no stock which incurred unrealised loss on disposal over HK\$1.5 million to the Group during the Year.

FINANCIAL REVIEW

Liquidity, Financial Resource, Capital Structure and Gearing Ratio

The Group's asset portfolio was mainly financed by internally generated cash resources. As at 31 December 2024, net current assets of the Group amounted to approximately HK\$153.7 million (2023: HK\$152.1 million) with cash and bank balances of approximately HK\$11.4 million (2023: HK\$2.0 million). The consolidated net asset value per share of the Company as at 31 December 2024 was HK\$0.48 (2023: HK\$0.60). The consolidated net asset value per share as at 31 December 2024 is calculated based on the net assets of the Group of approximately HK\$172.0 million (2023: HK\$170.3 million) and 354,818,016 ordinary shares of the Company at par value of HK\$0.001 each in issue as at that date (2023: 281,181,680 shares at par value of HK\$0.001 each).

As at 31 December 2024, the Company had no outstanding bank borrowing (2023: Nil). The gearing ratio of the Group was 0.5% as at 31 December 2024 (2023: 0.5%), which is calculated based on the Group's total liabilities divided by its total assets. Taking into account of the amount of liquid assets in hand and available short-term or margin loan facilities, the Group has sufficient financial resources to meet its ongoing operational requirements.

The Board has been actively seeking fund raising opportunities to strengthen the Company's financial position. On 30 October 2024, the Company completed a placing and has successfully raised approximately HK\$14.2 million (before expenses), which are detailed below.

On 7 October 2024 (after trading hours), the Company and Astrum Capital Management Limited (the "**Placing Agent**") entered into a placing agreement (the "**Placing Agreement**") pursuant to which the Placing Agent agreed to place, on a best endeavour basis, to not less than six independent placees for up to 59,136,336 new shares at a price (the "**Placing Price**") of HK\$0.240 per placing share (the "**Placing**"). These new shares rank pari passu in all respect with the then existing Shares. The Placing was completed on 30 October 2024.

The Placing Price of HK\$0.240 per placing share represents: (i) a discount of approximately 14.3% to the closing price of HK\$0.280 per share of the Company as quoted on the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 7 October 2024, being the date of the Placing Agreement; and (ii) a discount of approximately 9.4% to the average of the closing prices of HK\$0.265 per share of the Company as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are securities trading and investment holding. The Board considered that the Placing represented a good opportunity for the Company to raise additional funds and to widen the Company's shareholder base, and the terms of the Placing Agreement are on normal commercial terms. Accordingly, the Directors considered that the terms of the Placing were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The aggregate gross proceeds of the Placing were approximately HK\$14.2 million and the aggregate net proceeds of the Placing, after deduction of expenses, were approximately HK\$14.0 million, representing a net issue price of approximately HK\$0.236 per placing share. The net proceeds from the Placing were intended to be used for the general working capital of the Group and for future investments pursuant to the investment objectives of the Company. As of 31 December 2024, the net proceeds of approximately HK\$1.9 million were used for working capital and listed investments as intended. The remaining net proceeds of approximately HK\$12.1 million are expected to be used as intended by 31 December 2025.

Save as the Placing, the Group did not have run any capital exercise during the Year.

Charge of Assets and Margin Facilities

As at 31 December 2024 and 2023, margin facilities from several regulated securities brokers were granted to the Group which were secured by the Group's listed investments. As at 31 December 2024 and 2023, the Group had not utilised against these facilities.

Material Acquisitions and Disposal of Subsidiaries, Associates and Joint Ventures

During the Year, the Company does not have any significant acquisition and disposal of subsidiaries, associates or joint ventures.

Employees and Remuneration Policy

As at 31 December 2024, the Group had 16 employees (*2023: 16*), including directors of the Company. They are remunerated based on their performance, working experience and prevailing market standards. Employee benefits include medical insurance coverage, a defined contribution Mandatory Provident Fund retirement benefits scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance and share option scheme. There has been no significant change in the Group's remuneration policy.

Foreign Currency Fluctuation

The Group's exposures to foreign currencies mainly arises from its investments in companies located in the PRC, which are financed internally. In order to mitigate the potential impact of currency fluctuations, the Group closely monitors its foreign currency exposures and will use suitable hedging instruments against significant foreign currency exposures, where necessary. No foreign currency hedge contract was entered into by the Group during the Year. As at 31 December 2024, the Group had no outstanding foreign currency hedge contracts (*2023: Nil*).

Future Plans for Material Investments or Capital Assets and Their Expected of Funding in Coming Year

As at 31 December 2024 and up to the date of this announcement, the Company does not have any concrete plan for material investments or capital assets.

PROSPECTS

The general expectation of decrease in the rate of US Dollars and the upsurge of artificial intelligence are the main themes of the global investment market in Year 2024. Both Dow Jones Industrial Average Index (“**DJI**”) and Hang Seng Index (“**HSI**”) recorded increases in this year. DJI rose by 12.9% from 37,689 points as at the last trading day of 2023 to 42,544 points as at the last trading day of the Period. HSI’s performance was similar to that of DJI. HSI rose by 17.7% from 17,047 points as at the last trading day of 2023 to 20,060 points as at the last trading day of the Period.

Although DJI recorded increase in Year 2024, the outlook of US economy may not be such positive. Following the US election in November 2024, US equity prices soared on expectations that a combination of tax cuts and deregulation would boost US economic growth, thereby increasing corporate profits. Yet, since that time, most of the economic news has focused on tariffs rather than taxes. Tariff increases are expected to be inflationary and potentially lead to tighter monetary policy. In addition, tariff increases are expected to subdue aggregate demand by reducing consumer purchasing power. Finally, tariffs are expected to hurt the competitiveness of US manufacturers by boosting the cost of imported inputs. Thus, it is not surprising that US equity price indices have fallen back toward the pre-election level. Plus, it is not surprising that equity prices in other markets have fallen on fears of the potential impact of tariffs. There have been especially sharp declines in equity prices for automotive companies in early 2025, in anticipation of massive supply chain disruption due to trade restrictions.

China, the largest economy in the East, has been in a different economic cycle to the West. Over the last few years its economy has been under pressure from a historic housing downturn, but coming into 2024 some promising signs have started to emerge. In particular, outperformance in the manufacturing sector has contributed to economic stability and improved the growth outlook. High-end manufacturing such as electric vehicles, industrial automation, digitalization, together with supply chains are all growing at a fast pace. While these higher value-add sectors are a decade in the making, they are now having a bigger impact on the macro cycle.

Elsewhere, after two years of deceleration, a range of indicators are looking more mixed. This could be a sign of a bottoming out from a cyclical perspective. While the overall state of consumption is weak, and “consumption downgrade” is still a clear theme, volume growth is staying resilient. Purchasing Managers’ Indexes (PMI) are still diverging – but with more cyclical components bottoming out. Exports have started to do better. In the housing market, some analysts consider policymakers are now more focused on preventing further slowdown. While structurally slower growth in the housing sector is still our base case, stability and marginal improvement are good news for the rest of the economy.

The China economy looks better than that in US, and we would continue to focus on our investment in China and Hong Kong markets. However, tariff wars launched by the US and the potential appreciation of Japanese Yen may have significant impact of the investment markets. We believe the risks and chances co-exist in the worldwide investment environment in the coming year. We will continue to monitor the market dynamics, and adopt a conservative approach on investments, so as to enhance value to our Shareholders

CORPORATE GOVERNANCE PRACTICES

The Board of the Company is dedicated to an ongoing enhancement of effective and efficient corporate governance standards. The Board believes that high corporate governance standards are essential in providing framework for the Company to safeguard the interests of the shareholders and to enhance corporate value and accountability. The Company has applied the principles set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 of the Listing Rules.

For the year ended 31 December 2024 (the “**Year**”), the Company has complied with all code provisions set out in the CG Code, except for code provision C.2.1, details of which will be explained below.

Based on Code provision C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. The Company has not appointed the Chairman of the Board and Chief Executive Officer since the resignation of Mr. NG Chi Hoi on 1 August 2016. Ms. YE Ying was subsequently appointed as the Chairman of the Board with effect from 3 January 2022. The Board’s current significant decisions are made in Board meetings. Every Board member has the rights and responsibility to propose Board meetings to discuss significant issues he/she concerns, and has the power to make the decisions among other Board members.

The practice of the corporate governance of the Company will be reviewed and updated from time to time in order to comply with the requirements of the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S SHARE

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as the code of conduct regarding securities transactions by the directors of the Company. Upon specific enquiry by the Company, all Directors have confirmed that they have complied with the required standards as set out in the Model Code for the Year.

AUDIT COMMITTEE

The Audit Committee of the Company was established in January 2003. As at the date of this announcement, the Audit Committee comprises all INEDs, namely Mr. YU Tat Chi Michael, Mr. HUNG Cho Sing and Ms. CHUNG Fai Chun. Mr. YU Tat Chi Michael is the chairman of the Audit Committee.

The Audit Committee, along with management, has reviewed the consolidated results of the Group for the year ended 31 December 2024, including accounting principles and practices adopted by the Group and also discussed matters such as internal controls, risk management, audit and financial reporting, including a review of the audited consolidated financial statements, for the financial year ended 31 December 2024.

SCOPE OF WORK OF ELITE PARTNERS CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this final results announcement have been agreed by the Group's auditor, Elite Partners CPA Limited ("**Elite Partners**"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Elite Partners in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Elite Partners on this final results announcement.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This final results announcement is published on the Company's website at www.hdca913.com and the website of the Stock Exchange at www.hkexnews.hk. The 2024 annual report of the Company will be despatched to shareholders of the Company and published on the same websites above in due course.

By order of the Board
Harbour Digital Asset Capital Limited
港灣數字產業資本有限公司
SHUM Kit Lan Anita
Executive Director

Hong Kong, 20 March 2025

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

Executive director:

Ms. SHUM Kit Lan Anita

Non-executive director:

Ms. YE Ying (*Chairman*)

Independent non-executive directors:

Mr. HUNG Cho Sing

Ms. CHUNG Fai Chun

Mr. YU Tat Chi Michael