Cyberport Blockchain & Digital Asset Pilot Subsidy Scheme 2.0

Guide and Notes for Applicants

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Applicants should:

- Read this Guide and Notes for Applicants (this "Guide") related to the Cyberport Blockchain & Digital Asset Pilot Subsidy Scheme 2.0 (the "Scheme") before submitting an application.
- By submitting an application under the Scheme, the Applicant agrees to be bound by the provisions of this Guide.

1. Objectives

Commissioned by the Financial Services and the Treasury Bureau ("FSTB") and administered by Hong Kong Cyberport Management Company Limited ("HKCMCL"),aims to foster collaboration between technology companies and enterprises, and to accelerate the development and adoption of high-impact solutions in real-world asset ("RWA") tokenisation, blockchain and digital assets. The Scheme provides development-stage funding support for technology companies to partner with enterprises (Project Sponsors) to develop and test blockchain and digital asset solutions that address real business needs, with the aim of nurturing benchmark use cases and accelerating the adoption of blockchain and digital asset technologies across industry sectors in Hong Kong.

2. The Scheme – General Principles

2.1 The Scheme provides grant funding support for the development and testing of leading-edge blockchain and digital asset solutions with strong demonstration value and commercial potential, in order to accelerate their adoption in Hong Kong. The Scheme covers various use cases, with a focuson Real World Asset (the "RWA") tokenisation, programmable payment solutions, stablecoins and more. The eligibility of applicants and proposed Blockchain & Digital Asset projects will be separately verified and assessed where necessary.

2.2 An applicant to the Scheme (the "Applicant") is required to have a qualified project sponsor (the "Project Sponsor") defined in Appendix 7 for the purpose of funding under the Scheme. The Project Sponsor needs not necessarily have a direct financial contribution to the Blockchain & Digital Asset project but must exhibit active engagement and commitment to see the project to completion, which includes but is not limited to the formal agreement or other forms of documentary evidence (e.g., Letter of intent) entered between the Project Sponsor and the Applicant (generally known as the "Sponsorship Agreement") to the satisfaction of HKCMCL. A Project Sponsor may provide additional financial resources or contribution for the Blockchain & Digital Asset project without having to fulfil a specific matching ratio. HKCMCL reserves the right to request the Applicant and

Project Sponsor to provide documentary evidence on proof of partnership / commitment / relationship and a signed Sponsorship Agreement (if not yet provided) at a later stage.

2.3 An application can be made by one or more Applicants partnering with one or more Project Sponsors to put forth solutions that can tackle the pain points faced by different industry sectors in Hong Kong.

2.4 To be eligible for financial support under the Scheme, the Blockchain & Digital Asset project scope, new components and overall use cases must not be commercially adopted for production use by the Project Sponsor before submission of the application, yet with enormous potential for commercialisation and wider adoption.

2.5 Each approved Blockchain & Digital Asset project will be provided with a grant up to 80% of the actual cost incurred, with a maximum subsidy of HKD500,000 per approved project. The subsidy will be disbursed by HKCMCL to successful Applicants in two instalments, as more particularly set forth in paragraph 9.2 below.

2.6 An approved Blockchain & Digital Asset project is required to be commenced within [14 calendar days] from the date of approval of project proposal by HKCMCL and be completed by **30 June 2027** or within such other period as may be specified by HKCMCL in the Funding Agreement. For any approved application, if the Applicant is unable to commence the Blockchain & Digital Asset project within [14 calendar days] from the date of approval of project proposal by HKCMCL, the subsidy will be cancelled in accordance with paragraph 9.2.4 below.

3. Applicant Eligibility

3.1 Applicant applying for funding under the Scheme must fulfil the following requirements:

(a) be a limited liability company (limited by shares) incorporated in Hong Kong under the Companies Ordinance (Cap. 622); or registered as a non-Hong Kong company under Part 16 of that Ordinance;

(b) hold a valid business registration certificate issued under the Business Registration Ordinance (Cap. 310) ("BRO") before the submission of the application;

(c) commenced its business in Hong Kong before the submission of the application; and

(d) Technology Companies or Institutes that conduct substantive blockchain & digital asset activities[1] in Hong Kong or overseas in the relevant scope of Blockchain & Digital Asset Solution Categories (see Appendix 1) or participation in well-established incubation programs in Hong Kong[2]; or

(e) Technology Companies as new venture of a well-established technology company.

3.2 Applicants are expected to make adequate efforts in contributing to the development of the blockchain & digital asset community locally.

3.3 Notwithstanding the requirements in paragraph 3.1, HKCMCL shall have the final discretion on the eligibility of an Applicant and a Project Sponsor.

4. Qualifying projects (Blockchain & Digital Asset project eligibility)

4.1 Under the Scheme, a Blockchain & Digital Asset project is defined as a qualifying project which involves the following:

(a) Addressing a practical issue or pain point faced by an industry sector in Hong Kong, where the proposed use case has not been previously deployed for commercial production use in the Hong Kong market. Development of viable blockchain & digital asset technological ideas/concepts but shall not cover development areas which are deemed too early stage, for example, basic research, generation of pure scientific and technological knowledge, and the development of research ideas, hypotheses, and experimental designs without application; and

(b) Validation of the commercial merit of the Blockchain & Digital Asset product/solution by seeking reference customers or external funding. A valid use case must be defined clearly in the proposal to highlight the merit of the solution.

4.2 In addition to paragraph 4.1, qualifying Blockchain & Digital Asset projects must:

(a) Directly relate to the recognised Blockchain & Digital Asset Solution Category;

(b) Address a practical issue or a pain point faced by the different industry sectors in Hong Kong (e.g., banking, payment, construction and real estate, culture and entertainment, insurance, logistics, securities, and others) with no prior use case in the Hong Kong market;

[1] Applicants that conduct substantive activities in other mainstream technologies with a plan to adopt blockchain & Digital Asset technologies to tackle existing business challenges such as trust, data privacy and data protection will also be considered on a case-by-case basis.

[2] Overseas incubation programs will also be evaluated and approved on a case-by-case basis.

(c) Be governed by a sponsorship agreement in writing between the Applicant and the Project Sponsor; and

(d) Demonstrate strong potential for commercial adoption.

HKCMCL shall have final discretion on the eligibility of a proposed project under the Scheme.

5. Application – Timeframe and Requirements

5.1 Before applications are accepted, applicant registration must be completed beforehand.

5.2 The applicant registration[3] and grant application process will begin on the 2nd day of November 2026 and end on the 31st day of December 2026. Only proposals associated with a grant application lodged by the 31st day of December 2026 will be processed. Above are the key target dates[4] of the Scheme and HKCMCL's records of the receipt dates and times shall be final. To ensure Applicants have sufficient time to prepare and submit supporting documents including but not limited to Sponsorship Agreements, the deadline for valid Sponsorship Agreement submission will be the 8th day of January 2027. An application will not be treated as complete for assessment unless the valid Sponsorship Agreement is received by this deadline.

5.3 Each application shall cover only one Blockchain & Digital Asset project. An Applicant (including its affiliated entities[5]) may submit up to three applications provided that the projects are of different and distinct components and/or functions for different sponsors' adoptions, and the applications will be considered separately. Please note that the maximum number of 3 applications per Applicant should count any joint applications made by the Applicant as well.

[3] Applicant eligibility will be reviewed before we grant the rights for application submission and an applicant should submit their registration on or before the 24th day of December 2026, being one week before the deadline for proposal submission specified in paragraph 5.2. Late registration approval will only be granted on a case-by-case basis.

[4] The dates listed in this section may be subject to change and we will use the updated schedule announced on our website as primary reference dates. If we accept an additional intake of Blockchain & Digital Asset Pilot Subsidy grant proposals, the application timeframe on the website will be adjusted accordingly.

[5] An affiliated entity is an organisation that directly or indirectly controls another entity, is directly or indirectly controlled by another entity or is under common control alongside another entity, entities which share the same shareholders will be considered as affiliated entities no matter how many shares he/she has owned. In other words, an affiliated entity could be a parent company or a subsidiary company, and the concept of control is considered to imply that one could alter the direction of management policies. For the avoidance of conflict of interest, affiliated entities shall include but not be limited to companies, non-governmental organisations, and non-profit organisations.

5.4 Applicants must submit their applications through the Scheme dedicated application submission email channel of HKCMCL with the required documents listed in Appendix 2. HKCMCL reserves the right to seek additional information or documentary evidence from the Applicant and/or Project Sponsor at its discretion. The application would be considered withdrawn if the additional information/clarification requested by HKCMCL is not provided within [14 calendar days] from the date of request of additional information/clarification; in the case of such withdrawal, the Applicant may however submit a new application once all the necessary documents and/or requested information are available, provided the relevant deadlines for application have not passed. Unless requested by HKCMCL, supplementary information provided after submission of the application will not be accepted and will not form part of the application; in the case of such need, the Applicant may however submit a new application with all the necessary documents and supplementary information, provided the relevant deadlines for application have not passed. Incomplete applications will not be processed and will be considered as voluntary withdrawal by the Applicants from the Scheme.

5.5 Applicants should declare that the project must be an original solution for the corresponding industry with strong potential for commercialisation and real-life application, and the same project proposal for testing on industry adoption have not received grants from government or public bodies in Hong Kong.

5.6 A Sponsorship Agreement must have been signed between the Project Sponsor and the Applicant and submitted by the Sponsorship Agreement submission deadline specified in paragraph 5.2. Please refer to Appendix 7 for details regarding Project Sponsor eligibility.

The Sponsorship Agreement must include details of the blockchain & digital asset project, including but not limited to the project scope, project timeline, deliverables, and IT support to be provided by Project Sponsor prior to project commencement.

5.7 Applicant should assign a person as the project coordinator of the application who will act as the main contact point between the Applicant and HKCMCL. To ensure the smooth implementation and completion of the project, the project coordinator should be able to fully represent the Applicant and be conversant with the operation and business processes of the Applicant. As such, the project coordinator must be the responsible personnel of the Applicant. Likewise, the Project Sponsor should assign a person as the business representative and as an IT coordinator who will act as the main contact point between the Project Sponsor and HKCMCL.

6. Evaluation

6.1 Assessment mechanism

6.1.1 Applications are assessed by HKCMCL based on the stated eligibility criteria as set forth in paragraphs 3 and 4, the required information and documents set forth in paragraph 5 and Appendix 2 and the assessment criteria stated in paragraph 6.2. Each application is assessed separately. During the assessment process, HKCMCL may seek clarification or supplementary information from the Applicant or Project Sponsor if it is considered necessary. Recommendation endorsement by an Advisory Panel (the "Panel") will be sought before approval is granted by HKCMCL and relevant external stakeholder(s).

6.1.2 The Panel is composed of members from regulatory bodies, academia and other relevant external entities (e.g., trade associations).

6.1.3 Forms of non-disclosure protection have been established with members of the Panel. HKCMCL will not consider any separate non-disclosure agreements with Applicants / Project Sponsors. Ultimately, the onus is on the Applicant to exercise discretion and caution, and to provide sufficient and necessary information about proprietary know-how/IPs/technology development to allow the Panel to perform the required assessment.

6.1.4 To avoid conflict of interest, members of the Panel will be required to declare their general pecuniary interests on appointment, in addition to the report of conflicts of interest that may arise from any application on which they may be asked to advise. Where considered appropriate, the Chairman of the Panel may request the member concerned to refrain from participating in discussion and assessment of the relevant application.

6.2 Assessment Criteria

Each eligible application will be assessed based on individual merits and considered on a case-by-case basis. The assessment criteria and weights are stated in the following:

(a) **High Business/ Blockchain & Digital Asset Technology Impact and Measurable Value (30%) –**

- Demonstrates the potential for a significant contribution to revenue growth, cost savings or efficiency gains.

- Enhances business performance and improves customer experience through the utilisation of Blockchain & Digital Asset technology related technologies.
- The use case of the proposal demonstrates a high potential to transform or disrupt existing services.
- Capable of addressing key limitations of existing technologies using Blockchain & Digital Asset solutions

(b) **Potential for Commercial Adoption and Path to Production (30%) –**

- The proposed project should be easily deployable in an actual commercial environment with minimal adaptation.
- The proposed project should be adoptable by different organizations within applicable industries.
- The proposal may include a commercialisation roadmap with a target timeframe for production deployment and demonstrate potential for larger-scale real-life adoption after Scheme completion.

(c) **Innovation and Technical Readiness of the Solution Architecture (20%) –**

- Integrates existing technology and blockchain & digital asset-related technologies in a unique and innovative manner to enhance operational performance.
- Creates new business opportunities by leveraging blockchain & digital asset-related technologies, supported by a clear business or revenue model.
- The proposed solution architecture is technically sound, secure and scalable.

(d) **Sponsor Fit and Operational Relevance (10%) –**

- The proposed functionalities should contribute to improving service delivery in the industry they serve.
- Demonstrates good alignment with the business requirements defined by the Project Sponsor.
- Offers substantial improvements in turnaround time or usability of services for the target customers.

(e) **Quality of Submission and Clarity of Implementation Plan (10%) –**

- The proposal and supporting application documents should adhere to the guidelines outlined in this document, including a reasonable and clear breakdown of:
  - project cost breakdown.
  - project scope, deliverables, and schedule.
- Covers all requirements specified in this document and the "Project Proposal Writing Guide" available for download from our website. (https://www.cyberport.hk/en/entrepreneurship/digitalasset_pilot_scheme)

6.3 The funding subsidy grant eligibility of a Blockchain & Digital Asset project will be assessed and approved on a case-by-case basis.

6.4 HKCMCL reserves the right to disqualify or reject an application on grounds including but not limited to:

(a) a petition is presented, or a proceeding is commenced, or an order is made, or a resolution is passed for the winding up of the Applicant; or
(b) a false, inaccurate, or incomplete statement or representation is contained in the application or a promise, or a proposal is made knowingly or recklessly to unduly influence the decision-making process; or
(c) the Applicant is in default of its obligations under another grant agreement entered into with any other local public funding sources whether or not in relation to the Scheme.

7. Notification of Result

7.1 Applicants will be informed by HKCMCL of the result by email within six weeks after the end date of the application. HKCMCL's decisions on the application results are final and are not subject to any review or appeal. HKCMCL may consider matters concerning the administrative or procedural handling of an application, provided that such consideration shall not constitute a reassessment, review or appeal of the relevant funding decision.

7.2 Successful Applicants may be required to revise the application to fulfil the conditions for approval set by the Panel and/or HKCMCL, if any. A successful Applicant is also required to enter into a funding agreement (the "Funding Agreement") with HKCMCL. If a successful Applicant refuses to sign the Funding Agreement, the application will be considered withdrawn. Basic information about the approved projects (e.g. project name and Blockchain & Digital Asset solution category) will be posted on the Scheme website upon the announcement of the subsidy grant results.

7.3 Applicants who wish to re-apply based on a proposal previously submitted can do so only after they have adequately addressed the issues or concerns highlighted in the notification email[6], subject to the applicable deadlines.

8. Project Implementation

8.1 An approved project is required to be commenced within [14 calendar days] from the date of approval of project proposal by HKCMCL and be completed by 30 June 2027. An extension can be granted at the discretion of HKCMCL on a case-by-case basis in accordance with paragraph 11.1.

8.2 The project activities for which the funding is being applied must not have commenced before the application is received by HKCMCL. However, Applicants may start their projects after the applications have been successfully submitted and received by HKCMCL.

8.3 If the application is successful[7], funding will be provided after signing of the Funding Agreement. However, if the application is not successful, HKCMCL will not disburse

[6] Normal notification emails will only provide (1) application results with approval status (project is not covered in the successful application web announcement or email notification will enter the waiting list of the grant program) or (2) a request for supplementary information submission or (3) email clarification request relevant to this Scheme. HKCMCL reserves the right to adjust the results notification or other communication approaches.
[7] Applicant should regard their application as successful only after signing the funding agreement by HKCMCL and the Applicant.

any funding to the Applicant regardless of whether any cost has been incurred for the project.

8.4 The Applicant may not be granted the full amount of funding requested in accordance with the prevailing funding guidelines, for reasons such as items listed in the cost breakdown are considered not essential to the project, or if the proposed project cost is unreasonably high. As approval of the application and the amount of grant is not guaranteed, Applicants are advised to secure HKCMCL's approval before commencing their projects. If the Applicants decide to commence their projects before knowing the results of their applications, they cannot make any claims from HKCMCL for any losses, risks and/or costs if their applications are eventually rejected or the applied funding is not granted in full. Applicants have the sole responsibility of assessing and bearing their financial risks in relation to their proposed Blockchain & Digital Asset projects and their applications under the Scheme, and HKCMCL gives no warranties whatsoever and disclaims any liabilities.

8.5 Successful Applicants that commenced their projects under the circumstances specified in paragraph 8.1 but have not yet signed the Funding Agreement will still be entitled to receive the initial instalment subject to the fulfilment of the conditions set out in paragraph 9.2 below.

8.6 An approved Blockchain & Digital Asset project is required to be carried out strictly in accordance with the Sponsorship Agreement and the Funding Agreement to the satisfaction of HKCMCL. It is the responsibility of the Applicant and Project Sponsor to monitor the progress of the Blockchain & Digital Asset project and the implementation of the project to ensure proper completion of the project for the purpose of seeking disbursement of the final payment. HKCMCL may also conduct random checks on individual projects as mentioned in paragraph 9.3 below.

9. Subsidy instalments and monitoring

9.1 The subsidy will be disbursed as approved funding by HKCMCL to successful Applicants in two instalments. Each successful project will be funded separately.

9.2 Subsidy award model

9.2.1 Upon project approval and signing of the Funding Agreement, an initial instalment of 50% of the Approved Funding Amount will be made to the successful Applicant (within [42 calendar days] after all required supporting documents are properly submitted). The final instalment will

be made to the Applicant within [30 calendar days] after completion of the project **and** acceptance of the following reports by HKCMCL:

(a) A final report is submitted by the Applicant indicating the completion of the project, which should cover all project deliverables mentioned in the project proposal and/or sponsorship agreement.

(b) A commercial adoption viability report survey provides the following details:

  a. Assessment of the chance of commercial adoption of the solution by the Project Sponsor with relevant supporting evidence;
  b. Assessment of potential for commercial adoption of the proposed solution by other companies in the future;
  c. If applicable, the target schedule or roadmap for commercialisation of the proposed solution; and
  d. Supporting documents for the above such as:
    i. Project schedule for the proposed solution with go-live date accepted by Project Sponsor;
    ii. Letter of intent for commercialisation of the solution from Project Sponsor;
    iii. Email endorsement for the adoption of the solution from the project sponsor; and
    iv. Any other relevant support for commercial adoption of the proposed solution;

(c) Supporting for pilot user acceptance testing completion or project acceptance of corresponding Blockchain & Digital Asset project endorsed by the Project Sponsor (see also paragraph 9.3.6); and

(d) An audited report by an independent third party submitted by the Applicant upon request by HKCMCL at its discretion (see also paragraph 9.3.7 and further details in paragraph 10).

(e) Applicant should declare through email to dapilot@cyberport.hk that none of the events that can cause the termination of the grant has occurred (for details associated with those events, please refer to section 12.2).

9.2.2 The initial instalment for an approved project will only be deposited into the designated bank account of the Applicant after the signing of the Funding Agreement and HKCMCL's verification of proof (e.g., Bank statement) showing the bank account belongs to the Applicant. If the Applicant fails to provide a designated bank account or evidence showing its due contribution to the designated bank account, the Scheme funding will be disbursed in one lump sum upon project completion and HKCMCL's

acceptance of the final reports, documents and declarations as mentioned in paragraph 9.2.1 and completion of verification of bank account information.

9.2.3 The final instalment will be made to the Applicant upon project completion and HKCMCL's acceptance of the reports, documents and declarations as mentioned in paragraph 9.2.1 [See note on paragraph 9.2.5]. To expedite the final payment process, all successful Applicants are recommended to submit all required reports and supplementary information via the dapilot@cyberport.hk email within [30 calendar days] after the completion of the project.

9.2.4 Late commencement of the approved project, or late submission of the required documents specified in paragraphs 9.2 and 9.3 may lead to withholding, reduction, or cessation of the subsidy for the Blockchain & Digital Asset project. HKCMCL reserves the right to request full refund of the initial instalment.

9.2.5 HKCMCL reserves the right to seek clarifications and/or additional information from the Applicant and/or Project Sponsor regarding the project, and the right to withdraw the subsidy if in any event the successful Applicant is not able to carry out the responsibilities stated in this Guide, the Funding Agreement or Sponsorship Agreement. Under normal circumstances, the final instalment will be made upon submission of all the required documents/supplementary information and HKCMCL's acceptance of the same as mentioned in paragraph 9.2.1.

9.3 Monitoring

9.3.1 Successful Applicants are required to provide a progress report and related supporting documents within [63 calendar days] after project commencement[8]. The progress report should review the work completed, work in progress, and work remaining to be done on the project. These sections must include:

(a) Direct reference to milestones or deliverables established in the application related to the project;
(b) Timeline for when remaining work will be completed; and
(c) Any problems encountered or issues that have arisen that might affect completion, direction, requirements, or scope.

[8] The commencement date should be the same as the project start date documented in the Funding Agreement.

9.3.2 The progress report should be signed by the Applicant and endorsed by the Project Sponsor. The signed progress report and the Project Sponsor's endorsement should be sent to the email address dapilot@cyberport.hk.

9.3.3 HKCMCL may conduct progress reviews upon receipt of progress reports, in the form of a field visit, to interview the Applicant and/or the Project Sponsor for monitoring purposes. Depending on circumstances, HKCMCL may at its discretion elect for a meeting or interview with the Applicant and the Project Sponsor through online, telephone or other means in lieu of or in addition to a field visit.

9.3.4 Late submission of the progress report may lead to withholding, reduction, or cessation of the subsidy. Unless reasonable justification is provided and approved, progress report should be submitted within [63 calendar days] after project commencement.

9.3.5 Applicant should seek email endorsement or sign-off of final report from Project Sponsor as evidence for project completion within [30 calendar days] after the project completion.

9.3.6 Applicant should submit a User Acceptance Report or Project Acceptance Report ("Acceptance Report") endorsed by the Project Sponsor with the evidence that the Project has been carried out with the deliverables as described in the Approved Project Proposal within [30 calendar days] after the project completion.

9.3.7 Subject to paragraph 10.1, the Applicant should submit an audit report and a summary of project expenditure and corresponding audit trail (e.g., Payslip and/or MPF record and invoice, partial name masking for payslip and MPF record is acceptable) within [30 calendar days] after being requested by HKCMCL.

10. Audit Requirement

10.1 To ensure that an approved project is duly carried out, an audit report should be required from successful Applicants upon request by HKCMCL at its discretion on a case-by-case basis. The audit fee can be covered in the final instalment subject to a limit of HKD3,000. Applicant shall absorb any excess fee of more than HKD3,000. The required audit report should be conducted by an independent auditor who must be a Certified Public Accountant holding a practising certificate

registered under the Professional Accountants Ordinance (Cap. 50) (the "auditor"). The Applicant shall specify in the engagement letter for the employment of the auditor that the auditor shall strictly follow the requirements stipulated in the latest version of the "Notes for Auditors" issued by HKCMCL in conducting the audit and preparing the auditor's report for each project. The engagement letter shall also specify that HKCMCL or representatives of HKCMCL or authorised government agencies shall have the right to communicate with the auditor on matters concerning the project deliverables, and the auditor shall provide HKCMCL with access to such project reports and supporting statements for inspection, verification and copying from time to time upon reasonable notice being given by HKCMCL. In conducting the audit, the auditor must comply with the relevant Standards and Statements of Professional Ethics issued and updated from time to time by the Hong Kong Institute of Certified Public Accountants. In the auditor's report, the auditor is required to express an audit opinion as to whether the Applicant has complied, in all material respects, with the terms and conditions of the Funding Agreement and to make full disclosure of any material non-compliance. The applicant should submit the audit report within [30 calendar days] after receiving the request from HKCMCL.

10.2 To maintain a high level of integrity of the projects under the Scheme, HKCMCL may conduct random checks on individual projects. Successful Applicants are required to keep a proper and separate set of books and records for each project for 7 years after the completion of the project and produce such books and records for checking by HKCMCL or representatives of HKCMCL or authorised government agencies upon request.

10.3 If an Applicant fails to comply with any requirements in this Guide and the terms and conditions stipulated in the Funding Agreement, HKCMCL may cease disbursement of all or any part of the subsidy to the Applicant and/or shall have the right to claim for repayment of the disbursed subsidy in full or in part together with all administrative, legal and other costs incurred and interest accrued up to the date of repayment from the Applicant. Under such circumstances, HKCMCL will inform the Applicant of its decision and reasons. One example of those scenarios that might call for a refund includes cases where total actual spending reported in the expenditure[9] breakdown is less than the initial cost estimation provided or the grant approved, HKCMCL reserves the right to request a refund[10] from an applicant.

[9] Subsidy grant expenditure and corresponding cost should be spent that the applicant deployed for the implementation of the Blockchain & Digital Asset project (e.g., developer salary payment, external entity operating expenditure…etc. All expenditures should have corresponding salary proof/invoice that can be provided to HKCMCL as supporting).

[10] The refund is applicable to the first instalment of funding also. For example, if (a) the valid spending verified by the expenditure breakdown and audit trail is HKD 200,000 for an approved grant of HKD 500,000 and (b) we

10.4 The Applicant is not entitled to charge any interest or claim any compensation or relief of whatsoever nature against HKCMCL for any payment of subsidy made or in the event of any withholding of payment of subsidy for any reason whatsoever.

11. Changes of Approved Blockchain & Digital Asset Project

11.1 Extension of time

11.1.1 Extension of approved project periods is discouraged and generally not allowed. However, successful Applicants may lodge requests for change in the project completion date upon submission of the progress report because of developmental challenges or external environmental shifts during the implementation period of the project. Such changes need to be strongly justified with valid reasons with a sufficient level of details and supplemented with a revised project plan. The Applicant should submit a change request electronically through the email dapilot@cyberport.hk. Recommendations by the Panel may be sought before approval is granted by HKCMCL on a case-by-case basis.

11.1.2 Depending on the circumstances of the project, an extension of the project duration shall be granted at the discretion of HKCMCL on a case-by-case basis.

11.1.3 HKCMCL shall have the discretion in deciding whether or not to accept any time extension[11] requests.

disbursed a total of HKD 250,000 in the first instalment, HKCMCL reserves the right to ask for a refund of HKD 50,000 (plus other expenses in accordance with section 10.3, HKD 50,000 = HKD 250,000 – HKD 200,000) from the applicant. If (c) the 2nd instalment of HKD 250,000 was disbursed to the applicant already for this case, the corresponding refund will be HKD 300,000 (HKD 300,000 = HKD 250,000 + HKD 250,000 – HKD 200,000).

[11] The maximum extension granted for the Blockchain & Digital Asset project is [30 calendar days]. Extension exceeding this threshold will require endorsement by an additional internal or external reviewer and may lead to withholding, reduction, or cessation of the subsidy for the project if such endorsement cannot be obtained.

11.2 Change of project scope

Change of approved project scope is not allowed. For any change of project scope before project approval, an Applicant should withdraw the application and submit a new application (provided that the applicable deadlines have not expired). After project approval, no change of approved project scope is allowed.

12. Withdrawal, Suspension and Termination

12.1 A successful Applicant may withdraw from the Scheme at any time by giving written notice to HKCMCL (BCDA.SF.050).

12.2 HKCMCL may at any time terminate all or any part of the subsidy with immediate effect by giving written notice to the Applicant on the occurrence of any of the following events[12].

(a) The Applicant is in breach of any of the terms and conditions of the Funding Agreement;
(b) the project fails in a material way to progress in accordance with the approved proposal;
(c) HKCMCL forms the opinion that:
    a. It is unlikely that the project will be completed in accordance with the approved proposal and other requirements in the Funding Agreement; or
    b. The project should be terminated in the public interest.
(d) the Applicant or Project Sponsor has terminated the project (the Applicant should notify HKCMCL in writing immediately to explain the reasons of termination) or the composition of the project implementation party[13];
(e) any material change occurs in the management, ownership, or control of the Applicant;
(f) the Project Sponsor does not meet the criteria in paragraph 5.6, or any material change occurs in the composition of the Project Sponsor;

[12] The Applicant is responsible for providing updates to HKCMCL through email in case any events specified under this section occurred any time after the submission of applicant registration, the applicant should inform us within 10 working days after said event (e.g. new litigations events after submission of grant application) occurred.

[13] The project implementation party refers to the applicant or the grantee responsible for executing the approved project.

(g) any relevant existing or new litigation that will potentially affect the grant approval, grant recommendation, project execution or grant payment approval[14];

(h) the Applicant engages in any conduct prejudicial to HKCMCL, the Scheme or the project;

(i) the passing of any resolutions, the initiation of any proceedings, or the making of any order which may result in the winding up or dissolution of the Applicant (other than for the purpose of reconstruction or amalgamation) or if a receiver, provisional liquidator, liquidator or administrator is appointed in respect of the whole or any part of its assets or if the Applicant makes an assignment for the benefit of or composition with its creditors generally or threatens to do any of these things or any judgement is made against the Applicant or any similar occurrence under any jurisdiction that affects the Applicant;

(j) the Applicant has engaged or is engaging in acts or activities that are likely to constitute or cause the occurrence of offences endangering national security or which would otherwise be contrary to the interest of national security;

(k) the continued performance of the Application is contrary to the interest of national security; or

(l) HKCMCL reasonably believes that any of the events mentioned in (j) or (k) are about to occur.

12.3 Any approved project extension or termination should be documented in the progress report and/or final reports which should be submitted duly to HKCMCL. Evaluation of such cases will be made by HKCMCL at its discretion on a case-by-case basis to determine disbursement of final payment. HKCMCL reserves the right to withdraw the subsidy or request full refund of initial payment at its discretion if in any event the successful Applicant is not able to carry out the responsibilities stated in the Guide. Depending on the extent of the requested changes and the impact of the proposed changes on the outcome of the project, recommendations by the Panel may be sought before approval is granted by HKCMCL on a case-by-case basis.

[14] Relevant litigations include all legal proceedings that can potentially affect the reputation of the applicants because of misconduct performed by individual staff or responsible officers of the applicant that can cause loss or harm to its customers, staff or investors. Examples of relevant litigation would include but are not limited to misconduct and malpractices such as fraud, and misappropriation of funds or other assets of the company.

13. Handling of Information

13.3 Subject to the provisions below, information provided by the Applicants in their applications and final project reports will be kept by HKCMCL in confidence and all personal data will be handled in accordance with the relevant provisions of the Personal Data (Privacy) Ordinance (Cap. 486). In this regard, HKCMCL shall have the right to disclose, without further reference to the Applicants, whenever it considers appropriate, information and personal data to other Government bureaux/departments, statutory bodies or third parties for the purposes of processing the application, conducting research and survey, compiling statistics, meeting requirements of the law and/or performing their functions, and if the application is approved, monitoring the project, disbursing funding or related purposes. A summary of approved projects will also be posted on the project website for reference. Disclosure may also be made where the explicit consent to such disclosure is given by the Applicant and Project Sponsor. In submitting the application form and signed sponsorship agreement, each Applicant and Project Sponsor irrevocably and unconditionally authorises HKCMCL to make and consents to HKCMCL making any of the aforesaid disclosure.

13.2 By submitting an application, an Applicant is regarded to have agreed to, and to have obtained from the project coordinator, the business representative, the IT coordinator and each individual whose information (including personal data) is provided in the application, his/her consent for the disclosure, use and further disclosure by HKCMCL of the information (including personal data) for the purposes set out above.

14 Accuracy and completeness of applications

It is the responsibility of the Applicant to complete an application form, progress report and the final reports timely and truthfully, and to provide all supporting documents for the application and for the disbursement of the subsidy. Inaccurate and incomplete information will affect the processing of applications or disbursement of funding. Any omission or misrepresentation of information may lead to rejection of applications, cancellation of applications approved, and part or full recoupment of funding awarded.

15 Probity policy for Applicants

15.1 To ensure the openness, fairness and integrity of the Scheme, each Applicant shall:

a) Comply with the Prevention of Bribery Ordinance (Cap. 201) and advise its employees, agents, subcontractors and other personnel who are in any way involved in its application/project (the "Personnel") that they shall comply with the same, and that they are not allowed to offer, solicit or accept from any person any advantages as defined in the Prevention of Bribery Ordinance in relation to the application/project;

b) Not offer or give or agree to give any person employed by HKCMCL, or any members acting on its behalf, any gift, or favour during the subsidy period or as an inducement or reward for such person's doing or forbearing to do or for having done or forborne to do any act in relation to Scheme or for showing or forbearing to show favour or disfavour to any person in relation to the Scheme;

c) Promptly declare and notify HKCMCL in writing of any potential or actual conflicts of interest upon becoming aware of the same. "Conflicts of interest" shall include (but are not limited to) any situation where the private interest of an Applicant or its Personnel, conflict or compete, or may be expected to conflict or compete, with the role, duties and/or impartiality of such Applicant or Personnel under the Scheme (e.g., Any relative of any directors and/or employees working in HKCMCL);

d) Apply the funding prudently, efficiently, and solely for the purpose of the project approved under the Scheme;

e) Abide by the principles of openness, fairness, and competitiveness in the procurement of any goods/services in connection with the Scheme;

f) Take all necessary measures (including by way of a code of conduct or contractual provisions) to ensure that its Personnel are aware of and comply with the requirements under this policy; and

g) When doing business overseas and/or set up legal entities in foreign locations to support local operations, all Applicants are required to comply with anti-bribery laws and regulations in other jurisdictions when conducting business there or where applicable.

It is an offence in law to obtain property/pecuniary advantage by deception or assisting persons to obtain property/pecuniary advantage under the Scheme. Any person who does so may be liable to prosecution.

16 Compliance with the laws of Hong Kong and in other jurisdictions

Applicants under the Scheme must comply with all local laws and regulations when conducting their business, and also those in other jurisdictions when conducting business there or where applicable.

17 Disclaimer

HKCMCL serves only as an administrator of the Scheme. By assessing or approving an application, HKCMCL does not provide any guarantee or endorsement regarding the Applicant or its project. The Applicant shall be solely responsible for ensuring the suitability of the Applicant itself and the Project Sponsor for the Scheme. HKCMCL reserves the right to change the eligibility criteria and details of the arrangements as set out above from time to time without prior notice. HKCMCL disclaims any responsibility or liability over any dispute as between the Applicant and the Project Sponsor.

18 Warranties and Indemnity

18.1 By submitting an application, the Applicant warrants that:

a) It has provided true, full and accurate information to HKCMCL.
b) It has complied and will comply with the provisions of the Guide.
c) It has obtained all relevant consent from the Project Sponsor in relation to the use and provision of Blockchain & Digital Asset project-related data to HKCMCL.

18.2 The Applicant shall indemnify HKCMCL against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs and all other reasonable professional costs and expenses) suffered or incurred by HKCMCL arising out of or in connection with any breach of the Guide, including but not limited to any breach of the warranties contained in this paragraph 18.

19 Governing Law

The validity, performance and construction of the provisions of the Guide shall be governed by the laws of Hong Kong and be subject to the exclusive jurisdiction of the courts of Hong Kong.

20 Third Party Rights

No third party may enforce any provision of the Guide by virtue of the Contracts (Rights of Third Parties) Ordinance (Cap. 623).

21 Enquiries

Contact HKCMCL for any queries about applications.
Email: dapilot@cyberport.hk

Appendix 1 - List of Recognised Blockchain & Digital Asset Solution Categories

Following is a Blockchain & Digital Asset solution categories and application domains we wish to focus on. Other Blockchain & Digital Asset solution categories will also be considered on a case-by-case basis based on the proposed use cases.

Blockchain & Digital Asset Solution Categories	Application Domains
Real World Asset (RWA) Tokenisation	Traditional financial instrument tokenisation (e.g., funds, money-market funds, bonds) Tokenised private markets (e.g., limited partnership funds, private credit) Real estate tokenisation Gold and precious metal tokenisation Artwork, collectibles and antiquities tokenisation Revenue stream tokenisation Trade and logistics asset tokenisation Intellectual property tokenisation Computing power tokenisation (e.g., GPU / data-centre capacity)
Tokenised Asset Liquidity and On-chain Utility	Use of tokenised assets as collateral (e.g., repo, margin financing) Asset servicing and fund lifecycle automation Compliant secondary-market trading
Programmable Payment and Stablecoin	Merchant settlement Institutional treasury and cross-border payment Trade and logistics settlement Stablecoin / tokenised deposit interoperability Wallet and custodian solution
Institutional DeFi	Permissioned lending and borrowing Staking and vault structures with KYC / whitelisting Automated yield distribution Risk controls for on-chain financial services
Identity, Compliance and Privacy	Reusable KYC and decentralised identity (DID) Verifiable credentials and certificate verification Privacy-preserving eligibility proofs Institutional wallet controls RegTech and compliance automation
Security and Resilience	Continuous smart-contract audit and monitoring KYT, on-chain tracing and entity tagging Risk screening and AML Oracle risk management Digital asset insurance
Agentic AI and On-chain Finance	Agentic commerce and transactions Verifiable identity for AI agents Agent wallets, spending controls and delegated authority

Blockchain & Digital Asset Solution Categories	Application Domains
	Data provenance, ownership and marketplace Programmable settlement for AI-driven services Agent-to-agent payments and micropayments On-chain audit trails for AI decisions and actions
Blockchain Infrastructure and Interoperability	Blockchain network and interoperability Tokenisation and custody platforms Decentralised physical infrastructure (DePIN) and storage Supply chain traceability and provenance
Digital Experience	On-chain ticketing and event access Loyalty, rewards and membership programmes Customer engagement and digital collectibles Gaming and immersive / virtual experiences Marketplace platforms
Green Finance and ESG	Carbon credit tokenisation, trading and retirement tracing Green and sustainability-linked bond tokenisation Renewable energy certificates and green-asset revenue tokenisation ESG data verification and reporting

Remarks:

- The Blockchain & Digital Asset solution category and application domain above is not meant to be exhaustive.
- Eligibility of applicants will be separately verified and assessed where necessary.

- Initial Application Registration
  - Bank statement of one of the major banks for one of the last three months as of application date
  - Any one of the proofs of business operation listed below issued in one of the last three months as of application date
  - Copies of the documentary evidence proving that the Applicant has substantive Blockchain & Digital Asset activities in Hong Kong such as:
    1. Signed client agreement with the name of the client and scope of service.
    2. Proof of concept of prior blockchain & digital asset projects.
    3. Fundraising record – for blockchain & digital asset companies that have not yet generated any revenue.
    4. Company membership of recognised Blockchain & Digital Asset industry organisations and associations (see Appendix 3).
    5. Blockchain & Digital Asset or mainstream technology activities related award or business recognition (see Appendix 5).
    6. Other equivalent proof of mainstream technology activities.
- Proposal Submission
  - Application Form
  - Project Proposal (refer to Project proposal writing guideline document available on Cyberport Blockchain & Digital Asset Pilot Subsidy Scheme 2.0 website)
  - Signed Pilot sponsorship agreement(s) with Project Sponsor (s)
  - Proposal pitch video [15] which explains the proposed solution through walkthrough the proposal pitch deck and/or executive summary and/or the key use cases of the solution to highlight areas such as business impact, design and benefits of the solution.

[15] You can record the video using software such as Zoom and walkthrough the pitch deck (preferred) and key sections of the proposal. The video should be 3-10 minutes in length and focus on the relevant information that explains the advantages, key use cases, conceptual design, business impact and benefit.

Appendix 3 - Recognised Blockchain & Digital Asset-related industry organisations and associations

This is by no means an exhaustive description of valid organization and association, but it gives an indication of the type of eligible entities.

Recognized entities includes: (1) well established startup incubator (2) Blockchain & Digital Asset Related associations (e.g., Institution of Web 3.0 Hong Kong, Web3 Harbour) (3) Other associations with similar or equivalent nature)

Appendix 4 - Recognised regulators

This is by no means an exhaustive list. Recognised bodies generally refer to the regulators as follows:

- Hong Kong Monetary Authority
- Hong Kong Insurance Authority
- Securities and Future Commission
- Mandatory Provident Fund Schemes Authority

Appendix 5 - Awards or Business Recognition

This is by no means an exhaustive list, but it gives an indication of relevant awards and business recognition which includes:

- Alibaba Jumpstarter
- AppWorks
- Brinc accelerator program
- Deloitte Technology Fast and Rising Star Program awards
- Helix Blockchain Accelerator
- Hong Kong ICT Award
- Hong Kong Business Technology Excellence Awards
- Innovation and Technology Awards (I&T Awards)
- Red Herring
- RegTech 100
- Smart Living Partnership Awards
- SparkLabs
- SuperCharger
- Other awards, business recognitions or accelerators with similar or equivalent nature

Appendix 6 – High Impact Blockchain & Digital Asset Solutions

This is by no means an exhaustive list, but it gives an indication of Solutions demonstrate the high and broad impact on the Blockchain & Digital Asset Technology landscape:

- Facilitate adoption of Blockchain & Digital Asset technologies by traditional enterprises / industries
- Improve governance, safety and adoption of blockchain currency (e.g., Licensed Stablecoin)

Appendix 7 – Project Sponsor Eligibility

An Applicant is required to have a Qualified Sponsor as a project sponsor (the "Project Sponsor").

Eligible Project Sponsor's Should either be:

- A well-established[17] local firm[18] that can benefit from Blockchain & Digital Asset innovation and use cases (e.g., Companies listed in main board, Logistics, Marketing Agency, Retail…. etc.)
- A local organization playing an active role in facilitating Blockchain & Digital Asset adoption (e.g., public organisation, Legal firm, Liquidity provider, Blockchain & Digital Asset accelerator program)
- A financial institution licensed under the regulatory remit of HKMA, SFC, Insurance Authority, MPFA
- An oversea sponsor expanding in Hong Kong, with Blockchain & Digital Asset use case benefitting businesses or individuals in Hong Kong

Remark:

- Project sponsors should be duly registered and have commenced their business in Hong Kong before the submission of their application and have sufficient resources and knowhow to participate in the Blockchain & Digital Asset Pilot co-creation and monitoring activities. Overseas Project Sponsors may also be considered on a case-by-case basis, subject to the conditions set out in the footnotes below.

[17] The sponsoring firm should have sufficient resources (e.g., Listed company) and industry knowledge to provide the support, industry-specific insight (e.g., Big4 firm or Major legal firm with an in-depth view of constraints, risks, and benefits of Blockchain & Digital Asset adoption) and requirements during the design and implementation of the Blockchain & Digital Asset project. Nature of business, Turnover, Years of business establishment, proposed use cases relevance and the number of staff will be considered during sponsor eligibility under this category. (e.g., a company with 50 or more employees, or a Blockchain & Digital Asset company with 100 or more community members will be considered well-established and these criteria will be reviewed in a case-by-case manner).

[18] Overseas Sponsor actively engaged in Blockchain & Digital Asset-related activities (e.g., Incubator and investor) with investment or other presence in Hong Kong will be reviewed and approved on a case-by-case basis based on their relevance to the objective of this program.

Appendix 8 – High-quality proposal characteristics

During past proposal vetting and assessment experience, some of the best Blockchain & Digital Asset Pilot proposal should have following characteristics:

- Have a wide impact on the blockchain & digital asset community or industry stakeholders.
- Significant project sponsor involvement to enrich the business case and commercial value of the project.
- Can accelerate Blockchain adoption or digital asset community growth.
- Address the important pain point of the project sponsor and have a significant research contribution.
- Have much better clarity in terms of key use cases/technology and how they can benefit the project sponsor or other stakeholders.
- Have a realistic and achievable outcome.