ANNUAL
REPORT
2020

長城一帶一路
Great Wall Belt & Road

Great Wall Belt & Road Holdings Limited
長城一帶一路控股有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 524)

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CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Cheung Siu Fai *(Chairman and acting Chief Executive Officer)*
(appointed as executive director with effect from 20 February 2020)
(appointed as chairman and acting chief executive officer with effect from 2 March 2021)
Hui Chun Wai Henry
(appointed with effect from 2 March 2021)

NON-EXECUTIVE DIRECTORS

Zhao Ruiyong
(re-designated with effect from 2 March 2021)
Cheung Ka Heng Frankie
(re-designated with effect from 2 March 2021)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Fong Wai Ho
(appointed with effect from 20 February 2020)
Chow Hiu Tung
(appointed with effect from 12 March 2021)
Cheung Sze Ming
(appointed with effect from 12 March 2021)

COMPANY SECRETARY

Law Hoi Ching

AUDITOR

Confucius International CPA Limited
Certified Public Accountants

LEGAL ADVISERS

Conyers Dill & Pearman (as to Bermuda laws)
Reed Smith Richards Butler (as to Hong Kong laws)

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1602, 16/F
COFCO Tower
262 Gloucester Road
Causeway Bay
Hong Kong

STOCK CODE

The Stock Exchange of Hong Kong Limited: 524

WEBSITE

www.gwbrhk.com

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
4th floor North Cedar House
41 Cedar Avenue
Hamilton HM12
Bermuda

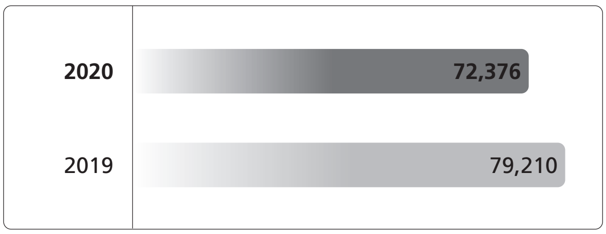
BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Secretaries Limited
Level 54
Hopewell Centre
183 Queen’s Road East
Hong Kong

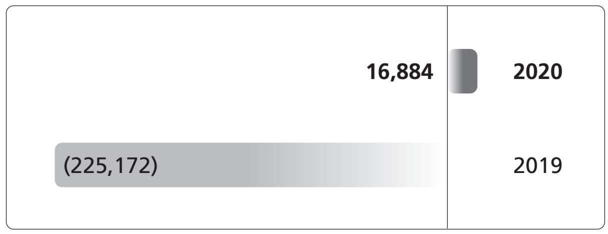
FINANCIAL HIGHLIGHTS

	2020 **HK$'000**	2019 HK$'000
Revenue	**72,376**	79,210
Profit/(loss) for the Year	**16,884**	(225,172)
Net Assets	**21,497**	1,899
Bank Balances and cash	**33,238**	6,672

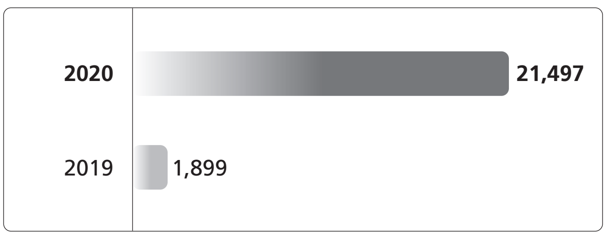
Revenue
(HK$'000)



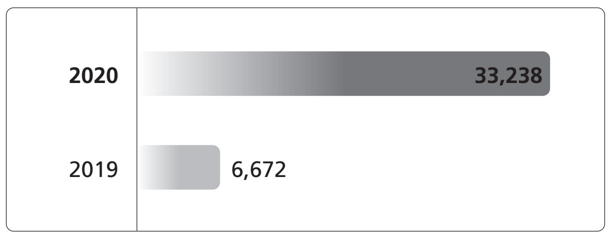
Profit/(Loss) for the Year
(HK$'000)



Net Assets
(HK$'000)



Bank Balances and Cash
(HK$'000)



Great Wall Belt & Road Holdings Limited currently has a portfolio of business interests in the telecommunication, information technology, financial payment processing solution, software development and distribution sectors in Hong Kong, Singapore and the People's Republic of China (the "PRC") and is actively pursuing other opportunities that are complementary to its existing operations or have high growth potential, with ability to generate healthy cashflows and capabilities to maximise the Group's long-term value. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (Stock Code: 524).

CHAIRMAN'S STATEMENT

On behalf of the board (the "Board") of directors (the "Directors") of Great Wall Belt & Road Holdings Limited (the "Company" together with its subsidiaries, the "Group"), I am pleased to present the annual results of the Group in this annual report for the year ended 31 December 2020 (the "Year").

During the Year under review, the lingering novel coronavirus ("COVID-19") pandemic swept across the globe and brought disruptive impact to people's livelihood and the global economy. The business environment remained challenging. At the same time, while there continues to be uncertainties with regards to the US-China relations and the continuing effect of the COVID-19 pandemic, the Group's strategy is to strive for sustainability of its telecom business through the improvement of the quality of its services and tapping on the changes to the demand for technology products and services contributed at least in part from the social distancing and "work-from-home" needs. Despite the unfavorable external conditions, the Group continued to respond proactively to the challenges and opportunities, and our businesses on the whole continued to operate without material interruptions.

The Group made effort to rationalize the business and streamline its existing business portfolios by disposing of some of the non-performing businesses. The Group completed the disposal of its tourism business in March 2021. As COVID-19 has pushed more people to stay at home longer and spend more time online, the Group continues to seek business development opportunities both within the regions in which it is currently operating and beyond, in technology, media and telecom (TMT) sector (such as in information and other emerging technologies, 5G and online marketing and fulfillment) to expand its service offerings. We will seek opportunities to capitise on promising opportunities arising from the rapid growth of TMT sector in the PRC.

The Group looked at possibilities to supplement its revenue through other investments, including income generating investment properties. The Directors believe that the recent proposed property acquisition announced by the Company in March 2021 presents a good opportunity for the Group to generate stable income from the target property in the near future and the Group may also benefit from any long term capital appreciation of the target property. The Group will also continue to look for new business opportunities and investments to diversify its business in order to generate better returns for the shareholders of the Company and maintain sustainable growth.

The new Board is taking steps to optimise and strengthen corporate governance, risk management and internal control systems to provide reasonable, though not absolute, assurance against material misstatement or loss and to manage the risk of failure to achieve business objectives.

With the availability of vaccines, it is hoped that COVID-19 will in due course no longer be a critical health risk. We look forward to a speedy recovery of the local and global economy, although development of the US-China relations at the new crossroads remains uncertain in the recovery process.

On behalf of the Board, I would like to express our appreciation to all the fellow directors, employees and business partners for their great support, hard work, dedication and commitment to the Group.

Cheung Siu Fai
Chairman of the Board

31 March 2021

BUSINESS REVIEW

OVERALL REVIEW

During the Year under review, COVID-19 and the "lock down" and social distancing restrictions imposed by governments in response to it, continued to cause an adverse impact on the Group's business and operational performance despite the Group being a recipient of assistance packages offered by the governments of Singapore and Hong Kong. The Group's revenue decreased by approximately 8.6% to approximately HK$72.4 million compared to approximately HK$79.2 million for the year ended 31 December 2019 ("Last Year"), and the overall gross profit margin of the Group dropped to approximately 7.9% compared to approximately 17.0% for the Last Year.

The Group recorded net unrealised loss on financial assets at fair value through profit or loss ("FVTPL") of approximately HK$0.6 million for the Year (2019: approximately HK$54.5 million of net unrealised loss and approximately HK$60.6 million of net realised loss on financial assets at FVTPL), and other income of approximately HK$37.2 million arising from the compensation claimed against the vendor of Diamond Frontier Investments Limited with whom the Group signed an agreement in 2016. The consolidated profit attributable to owners of the Company for the Year amounted to approximately HK$16.9 million, compared to loss of approximately HK$219.0 million for Last Year.

TELECOM BUSINESS (TELECOMMUNICATION AND INFORMATION TECHNOLOGY BUSINESS)

Total revenue recorded by the Telecom Business, which comprises the voice telecommunication and information technology businesses in Singapore and Hong Kong was approximately HK$72.4 million, representing a slight decrease of approximately 3.6% compared to approximately HK$75.1 million for Last Year. During the Year, the Group continued to adjust its focus on telecom service offerings and was able to achieve a level of turnover of the Telecom Business that is comparable to the turnover in Last Year despite an increase in customer attrition due to business closures and also a decrease in use of IDD services from office locations as work-from-home practices become more prevalent during the pandemic. While the Telecom Business operations further rationalised its setup in order to enhance cost efficiency, they remain focused on conservatively managing its cash flow through this period of uncertainty. At the same time, the Group continued to explore various opportunities to broaden its revenue base in the Telecom Business through the introduction of new products and services as well as expanding beyond its current geographical footprint.

IT AND DISTRIBUTION BUSINESS (FINANCIAL PAYMENT PROCESSING SOLUTION AND SOFTWARE DEVELOPMENT SERVICES, AND DISTRIBUTION BUSINESS)

As stated in the annual report of the Company for the year ended 31 December 2019 ("2019 Annual Report"), the sharp decline of revenue in 2019 was mainly due to the lack of revenue from the distribution business segment during the second half of 2019 due to unstable economy and competitive market. The challenging and uncertain situation continued in 2020 as a result of which, this segment did not contribute any revenue for the Group for the Year.

As at the date of this report, Hangzhou Susong Technology Company Limited*（杭州蘇頌科技有限公司）("Hangzhou Susong"), an indirect non-wholly-owned subsidiary of the Company, has not recovered the advances to Zhejiang Hong Lan Investment Company Limited*（浙江宏瀾投資有限公司）("Hong Lan") that was the subject of the announcement of the Company dated 28 April 2019 published on the websites of the Stock Exchange and the Company. The Group has explored and is taking necessary legal actions to recover such advances including actions to seek enforcement of the indemnity granted in favor of Hangzhou Susong in respect of such advances. The Group is also taking action to recover other overdue account receivables recorded by Hangzhou Susong. The performance of the IT and Distribution Business has been falling short of the Group's expectation as originally contemplated at the time of acquisition of such business in 2016, and facing increasingly challenging and uncertain business environment, the Group does not see any substantial improvement in this segment in the near future.

PROPERTY DEVELOPMENT AND TOURISM BUSINESS

During the Year, the Group made effort to rationalize the business and dispose of some of the non-performing business. As mentioned in the Company's announcement dated 20 November 2020, the Company terminated the previous sale and purchase agreement on the proposed disposal of the entire issued share capital of B&R Investment Holding Limited ("B&R Investment") by the Company to Shaanxi China Investment Asset Management Company Limited* (陝西中投資產管理有限公司) (the "Disposal") as the purchaser was unable to pay the remaining balance of the consideration for the Disposal (being RMB47,500,000). Following the termination of the aforementioned sale and purchase agreement, on 20 November 2020, the Company entered into a new sale and purchase agreement with Vantage Network Global Limited in relation to the Disposal for a consideration of RMB47,500,000. The Disposal was completed on 19 March 2021. The Group may not continue its investment in Tourism Business following the Disposal as no revenue has ever been generated from this segment.

PROSPECTS

In the second half of the Year, the Company focused on ensuring the sustainability of the Group's Telecoms Business in light of the risks and uncertainties due to the escalation of sensitive geopolitical situation and the global economic downturn due to the pandemic, reviewing areas in which the Group's operational efficiencies can be improved and exploring business development opportunities. While there continues to be uncertainties with regards to the US-China relations and the continuing effect of the pandemic, the Group's strategy is to strive for sustainability of its Telecom Business through the improvement of the quality of its services and tapping on the changes to the demand for technology products and services contributed at least in part from the social distancing and "work-from-home" needs as a result of the pandemic.

At the same time, the Group continues to seek business development opportunities both within the regions in which it is currently operating and beyond, in the technology, media and telecom (TMT) sector (such as in information and other emerging technologies, 5G and online marketing and fulfillment) to expand its service offerings. The Group will leverage its industry experience and competitive strength to consolidate its business presence in the telecommunication and information technology industry in Singapore and Hong Kong and to expand its product or service solutions offerings in the existing and new geographical regions. The Group will also continue to look for new business opportunities to diversify its business in order to generate better returns for the shareholders of the Company.

As mentioned in the Company's announcement dated 29 January 2021, the Group looked at possibilities to supplement its revenue through other investments, including income generating investment properties. On 3 March 2021, the Company entered into a provisional agreement with a vendor pursuant to which the Company has conditionally agreed to buy and the vendor has conditionally agreed to sell the entire issued shares of a property holding company and the sale loan for an aggregate consideration of HK$51,750,000, subject to adjustments. The target company is a company incorporated in Hong Kong with limited liability and principally engaged in property holding and property leasing business. Its principal asset is an industrial property with a gross area of approximately 5,430 square feet (the "Property"). As at the date of the provisional agreement, the Property is subject to an existing tenancy with a monthly rental of HK$101,258 (excluding rates and management fees). The Directors believe that the proposed acquisition presents a good opportunity for the Group to generate stable income from the Property in the near future and the Group may also benefit from any long term capital appreciation of the Property.

FINANCIAL REVIEW

REVENUE AND RESULTS

The revenue of the Group for the Year amounted to approximately HK$72.4 million, representing a decrease of 8.6% compared to Last Year. The revenue from Telecom Business decreased by 3.6% to approximately HK$72.4 million for the Year from approximately HK$75.1 million for Last Year. There was no revenue generated from the IT and Distribution Business throughout the Year due to the business operation slowed down. IT and Distribution Business recorded revenue of approximately HK$4.2 million in Last Year.

The overall gross margin of the Group for the Year was 7.9%, compared to 17.0% for Last Year. The gross profit for the Year decreased by 57.0% to approximately HK$5.8 million, compared to approximately HK$13.5 million for Last Year. The decrease in gross profit and gross profit margin was mainly due to the stagnant IT and Distribution Business during the Year and the increased proportion of the Group's wholesale voice telecommunications segment of the Telecom Business during the Year which has lower gross profit margin.

Total operating expenses of the Group for the Year amounted to approximately HK$26.1 million, compared to approximately HK$56.1 million in Last Year. The decrease was mainly due to the streamlined cost structure and absence of amortization of intangible assets for the Year.

The Group recorded net unrealised loss on financial assets at FVTPL of approximately HK$0.6 million for the Year (2019: approximately HK$54.5 million of net unrealised loss and approximately HK$60.6 million of net realised loss on financial assets at FVTPL). The loss for Last Year was mainly due to significant drop in market price of SingAsia Shares in 2019.

The operating profit of the Group amounted to approximately HK$23.0 million, as compared to a loss of approximately HK$40.8 million for Last Year. The turnaround in operating profit was mainly due to the other income of approximately HK$37.2 million arising from the setting off of outstanding balance of consideration of that amount against losses suffered by the Group in connection with its acquisition of Diamond Frontier Investments Limited in 2016; the forfeiture of deposit of RMB2.5 million paid by the previous purchaser of B&R Investment upon termination of the relevant sale and purchase agreement in November 2020 and the decrease in the total operating expenses mentioned above.

Profit attributable to the owners of the Company amounted to approximately HK$16.9 million, as compared to a loss of approximately HK$219.0 million for Last Year. The profit was mainly due to the absence of impairment losses on intangible assets and goodwill amounted to approximately HK$39.7 million in 2019; the net realised loss and unrealised loss on financial assets at FVTPL decreased by 99.5% to approximately HK$0.6 million, compared to approximately HK$115.1 million in 2019; and the impairment losses on other receivables decreased by 89.5% to approximately HK$3.3 million, compared to approximately HK$31.3 million in 2019.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCING

As at 31 December 2020, the net assets of the Group amounted to approximately HK$21.5 million compared to approximately HK$1.9 million as at 31 December 2019. The increase in net assets mainly due to setting off of the consideration payable by the Group of approximately HK$37.2 million against the losses suffered by the Group in connection with its acquisition of Diamond Frontier Investments Limited in 2016.

Capital expenditures for the Year amounted to approximately HK$0.2 million, compared to approximately HK$0.1 million in 2019.

Bank balances and cash (excluding pledged bank deposits) amounted to approximately HK$33.2 million as at 31 December 2020 (2019: approximately HK$6.7 million) which were all denominated in Hong Kong dollar. On the same date, total pledged bank deposits amounted to approximately HK$0.8 million (2019: approximately HK$0.7 million). Bank guarantees of approximately HK$0.8 million (2019: approximately HK$0.7 million) were issued to suppliers for operation requirements.

As at 31 December 2020, the Group had loan from directors of approximately HK$15.7 million (2019: HK$2.8 million). As at 31 December 2020, the Group had lease liabilities amounted to approximately HK$1.6 million (2019: HK$3.1 million).

As at 31 December 2020, the Group's gearing ratio, measured on the basis of total borrowings as a percentage of net assets was 80.5% (2019: 310.3%).

FOREIGN EXCHANGE EXPOSURE

The Group has certain assets, liabilities, and transactions which are denominated in Singapore dollars and Renminbi. The Group continues to closely monitor the exchange rates of each of Singapore dollar, Hong Kong dollar and Renminbi and will, whenever appropriate, take appropriate action to mitigate such exchange risks. As at 31 December 2020, no related currency hedges had been undertaken by the Group.

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

In April 2018, the Group entered into an agreement with a third party to develop and operate a characteristic cultural town in Yibin City of Sichuan Province in the PRC. In April 2018, Yibin Xianyuan Lake Small Towns Cultural Tourism Company Limited*（宜賓仙源湖小鎮文旅有限公司）(“Yibin Company”) was incorporated in the PRC with registered capital of RMB200,000,000, for which the Group had committed to contribute RMB70,000,000 before 3 April 2028, representing equity interest of 35% of Yibin Company. The disposal of the entire issued share capital of B&R Investment, and indirect equity interest of 35% in Yibin Company, had been completed on 19 March 2021. As at 31 December 2020 and up to the date of the completion of the disposal, no contribution has been made by the Group.

Other than the above, there were no material contingent liabilities or capital commitments as at 31 December 2020.

SIGNIFICANT INVESTMENTS HELD AND PERFORMANCE

As at 31 December 2020, the Group held for trading investments in securities in Hong Kong (collectively, the “Investments”) with a market value of approximately HK$0.9 million (31 December 2019: approximately HK$1.4 million), representing an investment portfolio of four (31 December 2019: five) listed equities in Hong Kong. The Group recorded net unrealised loss of approximately HK$0.6 million (2019: approximately HK$54.5 million of net unrealised loss and approximately HK$60.6 million of net realised loss) in respect of financial assets at FVTPL in 2020. The details of the Investments as at 31 December 2020 were as follows:

Company name	Stock code	Number of shares held	% of shareholdings in equity investment	Unrealised loss on fair value change for the Year HK$'000	Fair value as at 1 January 2020 HK$'000	Fair value as at 31 December 2020 HK$'000	% of net assets	Principal activities
1 New Provenance Everlasting Holdings Limited	02326	1,000,000	0.01%	(7)	17	10	0.05%	Sourcing and sale of metal minerals and related industrial materials, production and sale of industrial products and utilities, sale of electrical and electronic consumer products and provision of logistics services
2 SingAsia Holdings Limited	08293	8,500,000	0.57%	229	494	723	3.36%	Provide manpower outsourcing services, manpower recruitment services and manpower training services based in Singapore
3 China Saite Group Company Limited	00153	5,040,000	0.17%	(796)	796	–	0.00%	Construction of steel structure and prefabricated construction projects
4 Sino Harbour Holdings Group Limited	01663	1,000,000	0.04%	22	141	163	0.76%	Property development in China
				(552)	1,448	896		

During the Year, the Group had received dividend of approximately HK$10,000 from the Investments held (2019: Nil).

The Board acknowledges that the performance of the equities may be affected by the degree of volatility in the Hong Kong stock market and are susceptible to other external factors that may affect their values. Accordingly, in order to mitigate possible financial risks related to the equities, the Board maintains a diversified investment portfolio across various segments of the market and also closely monitors the performance of its investment portfolio.

QUALIFIED OPINION ON THE OPENING BALANCE AND CORRESPONDING FIGURES

The auditors of the Company ("Auditors") expressed a qualified opinion (the "Qualified Opinion") on the opening balance of certain trade receivables in the amount of HK$4,196,000, other receivables in the amount of HK$16,691,000 and payments to several debtors in the aggregate amount of approximately HK$5,090,000 as at 1 January 2020. Details of the Qualified Opinion are set out in page 32 of this report.

The receivables that are subject to the Qualified Opinion have been fully impaired and therefore, while the Group will continue to seek recovery of the relevant amounts, the management of Company considers that the lack of recovery will not have any financial impact for the year ending 31 December 2021. The Auditors have also agreed that the Qualified Opinion can be removed from the consolidated audited financial statements of the Company for the year ending 31 December 2021 provided that there is no material changes to these receivables. As such, there is no action required of the Company to address the Qualified Opinion. The Group will continue to seek recovery of the relevant amounts as mentioned above.

The Audit Committee has reviewed the Qualified Opinion and agreed with the position of the management of the Company with regards to the Qualified Opinion and its impact on the Company's results for the year ending 31 December 2021.

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. CHEUNG Siu Fai ("Mr. Cheung"), aged 50, was appointed as an executive director of the Company on 20 February 2020 and chairman and the acting chief executive officer of the Company on 2 March 2021. He holds a Master Degree in Business Administration from The Chinese University of Hong Kong and a Bachelor Degree in Electronic Engineering from The Hong Kong Polytechnic University. Mr. Cheung is a director of certain subsidiaries of the Group. Mr. Cheung founded Hammer Capital Group Limited and is a director of Hammer Capital Asset Management Limited. Prior to founding Hammer Capital Group Limited, he was the Head of Asia Pacific of the Strategic Equity Solutions of Merrill Lynch (Asia Pacific) Limited ("Merrill Lynch"). Prior to his position at Merrill Lynch, he was the Head of Asia Pacific of the Strategic Equity Solutions and the Managing Director of the Structured Products of Asia of Citigroup Global Markets Asia Limited. He has also held key positions in various major investment banks in Asia Pacific like Calyon Corporate & Investment Bank (presently known as Credit Agricole Corporate & Investment Bank) and JPMorgan Chase & Co.. Mr. Cheung was an executive director of Asia Coal Limited until the shares of which company were delisted from the Stock Exchange on 18 June 2019. Mr. Cheung was also an executive director of CT Environmental Group Limited (stock code: 1363) between 3 August 2020 and 10 November 2020. Mr. Cheung is the sole director and shareholder of Beta Dynamic Limited, the holding company of the Company as at the date of this report.

Mr. HUI Chun Wai Henry ("Mr. Hui"), aged 44, was appointed as an executive director of the Company on 2 March 2021. He holds a Bachelor Degree in Business Administration (Financial Accounting) from The Hong Kong University of Science and Technology. Mr. Hui is a director of certain subsidiaries of the Group. Mr. Hui is an employee of Hammer Capital Asset Management Limited. Prior to joining Hammer Capital Asset Management Limited, he was a Managing Director and the Regional Head of Structured Investments & Derivatives, Asia in BNP Paribas Wealth Management Hong Kong ("BNP"). Prior to his position at BNP, he was the Head of Equities Advisory & Sales Trading Hong Kong at Bank of Singapore Hong Kong Branch. He worked in UBS AG Wealth Management Hong Kong Branch and China Exchanges Services Company Limited before. He has also held positions in various major investment banks in Asia Pacific like Citigroup Global Markets Asia Limited and Calyon Corporate & Investment Bank (presently known as Credit Agricole Corporate & Investment Bank).

NON-EXECUTIVE DIRECTORS

Mr. ZHAO Ruiyong ("Mr. Zhao"), aged 66, was appointed as an executive director of the Company on 1 November 2017 and re-designated as a non-executive director of the Company on 2 March 2021. He had been the chairman of the board of Hanzhou Tianmushan Pharmaceutical Co. Limited (杭州天目山葯業股份有限公司) (the shares of which are listed on the Shanghai Stock Exchange (stock code: 600671)), the station director of Zhuji Television Station* (諸暨電視臺), the director and the chief editor of the "East Sea*" (《東海》) magazine, the director and the chief editor of "Children's Story News*" newspaper (《少兒故事報》), the director of Zhejiang Film and Television Institute* (浙江影視創作所), the chairman of the board of Zhuji Great Wall International Film & Culture Creative Park Limited* (諸暨長城國際影視創意園有限公司). Mr. Zhao is currently the director of the China Television Artists Association* (中國電視家協會), a member of the China Writers Association* (中國作家協會), the vice president of Zhejiang Television Artists Association* (浙江省電視家協會), a member of the presidium of Zhejiang Writers Association* (浙江省作家協會主席團). Mr. Zhao is currently the chairman of the board of Great Wall International ACG Co., Ltd.* (長城國際動漫遊戲股份有限公司) (the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000835)), the chairman of the board of Zhejiang Qingpingguo Network Technology Co. Ltd.* (浙江青蘋果網絡科技有限公司), and an executive director and the general manager of Hangzhou Great Wall Animation Game Co. Ltd.* (杭州長城動漫遊戲有限公司).

Mr. CHEUNG Ka Heng Frankie ("Mr. Frankie Cheung"), aged 48, was appointed as an executive director of the Company on 1 September 2017 and re-designated as a non-executive director of the Company on 2 March 2021. He is an Honorary General Committee Member of China Enterprise Reputation and Credibility Association (Overseas). From June 2002 to December 2015, Mr. Frankie Cheung was an executive director of Sau San Tong Holdings Limited (stock code: 8200) (the issued shares of which are listed on the GEM of the Stock Exchange which engages in the retail and beauty slimming service industry in the Greater China region. From October 2009 to November 2010, he was an executive director of Dingyi Group Investment Limited (formerly known as Chevalier Pacific Holdings Limited) (stock code: 508) (the issued shares of which are listed on the Main Board of the Stock Exchange) and was mainly responsible for merger and acquisitions. Besides, he was also a director of a credit data provider which engages in the compilation and assortment of credit data and acts as the external independent databank operational unit for its banking institutions clients in Hong Kong.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. FONG Wai Ho ("Mr. Fong"), aged 40, was appointed as an independent non-executive director of the Company on 20 February 2020. Mr. Fong has over 16 years of experience in auditing and business advisory services. He is the founder and has been a practitioner of UBC & Co., Certified Public Accountants since March 2013. Mr. Fong was the practicing director of Andes Glacier CPA Limited from March 2017 to March 2020. Mr. Fong holds a bachelor's degree in business administration (honours) in accountancy and management information systems awarded by City University of Hong Kong. Mr. Fong is a practicing Certified Public Accountant in Hong Kong, a member of the Association of Chartered Certified Accountants as well as a fellow of the Hong Kong Institute of Certified Public Accountants. He is a member of the Chartered Professional Accountants of British Columbia and the Chartered Professional Accountants of Canada, respectively, as well as a member of CPA Australia. He is currently an independent non-executive director of Global Sweeteners Holdings Limited (stock code: 3889), Perennial Energy Holdings Limited (stock code: 2798) and CT Environmental Group Limited (stock code: 1363) respectively, the shares of which are listed on the Main Board of the Stock Exchange.

Mr. CHOW Hiu Tung ("Mr. Chow"), aged 49, was appointed as an independent non-executive director of the Company on 12 March 2021. He has over 23 years of experience in accounting and internal control. He has been an independent non-executive director of State Energy Group International Assets Holdings Limited, a company listed on the Stock Exchange (stock code: 918) since October 2018 and the company secretary of Neo-Neon Holdings Limited, a company listed on the Stock Exchange (stock code: 01868) since May 2020. Prior to joining State Energy Group International Assets Holdings Limited, Mr. Chow had been an independent non-executive director of Future Bright Mining Holdings Limited, a company listed on the Stock Exchange (stock code: 2212), from December 2014 to September 2018, and an independent non-executive director of National United Resources Holdings Limited (formerly known as China Outdoor Media Group Limited), a company listed on the Stock Exchange (stock code: 254), from October 2013 to March 2015. Mr. Chow obtained his bachelor's degree in business administration in finance from Hong Kong University of Science and Technology in November 1995 and obtained his master's degree in international business in December 2001 from the University of Sydney, Australia. Mr. Chow has been a member of the Hong Kong Institute of Certified Public Accountants (formerly known as the Hong Kong Society of Accountants) since January 1999. Mr. Chow has also been a member of the Association of Chartered Certified Accountants since April 2000 and was admitted as its fellow member in April 2005.

Mr. CHEUNG Sze Ming, aged 51, was appointed as an independent non-executive director of the Company on 12 March 2021. He has over 20 years of working experience from an international audit firm and public listed companies. Mr. Cheung Sze Ming is currently an executive director, the company secretary and the chief financial officer of Affluent Partners Holdings Limited, a company listed on the Stock Exchange (stock code: 1466) since April 2018, and an independent non-executive director of Ocean Line Port Development Limited, a company listed on the GEM Board of the Stock Exchange (stock code: 8502) since November 2020. Mr. Cheung Sze Ming holds a bachelor's degree in Accountancy from the Hong Kong Polytechnic University. He is also a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. He had spent about 8 years in an international audit firm and was an audit manager before he left the firm. Thereafter, Mr. Cheung Sze Ming has held different senior positions in various public listed companies. He was an executive director and chief financial officer of Dingyi Group Investment Limited, a company listed on the Stock Exchange (stock code: 508), from October 2011 to March 2018.

CORPORATE GOVERNANCE REPORT

INTRODUCTION

The board (the "Board") of directors (the "Directors") of the Company is committed to maintaining high standards of corporate governance in performing their obligations to act in the best interests of shareholders and enhance long-term shareholder value. Except for the non-compliance and deviations described below, the Directors are not aware of any information which would reasonably indicate that the Company is not, or was not at any time during the Year, acting in compliance with the code provisions (the "Code Provisions") of the Corporate Governance Code and Corporate Governance Report (the "Corporate Governance Code") set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

Pursuant to Code Provision A.1.1 of the Corporate Governance Code, the board should meet regularly and board meetings should be held at least four times a year at approximately quarterly intervals. During the Year, three regular board meetings and eight ad hoc board meetings were held. Although the Board fell short of having four regular meetings, through various ad hoc meetings, Board members had adequate opportunities to discuss and communicate with each other on the affairs of the Group. The Board aims to increase the number of its regular meetings as need be.

Pursuant to Code Provision A.1.3 of the Corporate Governance Code, at least 14 days' notice should be given to all directors of a regular board meeting. During the Year, at least 14 days' notice was given for only one regular board meeting. The Company will give due notice for regular board meetings going forward.

Pursuant to Code Provision A.2.7 of the Corporate Governance Code, the chairman should at least annually hold meetings with the independent non-executive directors without the presence of other directors. During the Year, no such meeting was held. The new chairman of the Board had a meeting with the independent non-executive Directors on the date of this report. Under the leadership of the new chairman of the Board, the Company will comply with this requirement going forward.

Pursuant to Code Provision E.1.2 of the Corporate Governance Code, the chairman of the Board should attend the annual general meetings of the Company and should also invite the chairman of each of the audit committee of the Company (the "Audit Committee"), remuneration committee of the Company (the "Remuneration Committee"), nomination committee (the "Nomination Committee") and any other committees of the Company to attend. Mr. Zhao Ruiyong, the then chairman of the Board and the then chairman of the Nomination Committee, and Mr. Huang Tao, the then chairman of the Remuneration Committee, did not attend the annual general meeting of the Company held on 30 June 2020 ("2020 AGM") as they were not in Hong Kong. Mr. Cheung Ka Heng Frankie, the then executive Director and vice chairman of Board, as well as Mr. Fong Wai Ho, the chairman of the Audit Committee, attended 2020 AGM and were available to answer questions at the 2020 AGM.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' transactions in securities of the Company. All Directors have confirmed, following specific enquiries made by the Company, that they have fully complied with the required standards set out in the Model Code throughout the Year.

BOARD OF DIRECTORS

BOARD COMPOSITION

As at the date of this annual report, the Board comprises two executive directors, namely Mr. Cheung Siu Fai (Chairman and the acting Chief Executive Officer) and Mr. Hui Chun Wai Henry, two non-executive Directors, namely Mr. Zhao Ruiyong and Mr. Cheung Ka Heng Frankie and three independent non-executive Directors, namely Mr. Fong Wai Ho, Mr. Chow Hiu Tung and Mr. Cheung Sze Ming. Biographical details of the Directors as of the date of this annual report are set out in the section headed "Board of Directors" on pages 10 to 11 of this annual report.

As disclosed in the Directors' biographical details above, Mr. Hui Chun Wai Henry is an employee of Hammer Capital Asset Management Limited, of which Mr. Cheung Siu Fai is a director. Except for the above, there is no other relationship (including financial, business, family or other material/relevant relationships) among the Directors.

In accordance with the bye-laws of the Company (the "Bye-laws"), not less than one-third of the Directors for the time being (or if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) will retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once every three years. Any Director appointed to fill a casual vacancy on the Board or as an addition to the existing Board shall hold office only until the following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy (the "Board Diversity Policy") in 2013 to set out the approach to achieve diversity for the Board. Pursuant to the Board Diversity Policy, the Company recognises the benefits of a Board that possesses a balance of skills, expertise, experience and diversity of perspectives appropriate to the requirements of the businesses of the Group; the Company embraces the practice of seeking to ensure diversity of Board members, which can be achieved through consideration of a number of factors, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service; Board appointments will continue to be on a merit basis, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board; the Nomination Committee continues to be responsible for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy; The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained and has not set any measurable objective implementing the Board diversity policy. the Board will review the Board Diversity Policy on a regular basis to ensure its continued effectiveness; and the Board will disclose the Board Diversity Policy (or a summary thereof) in the corporate governance report set out in the annual reports of the Company.

BOARD MEETINGS

The Board meets regularly and on those occasions when Board decisions are required for major issues. All Directors are provided with adequate and timely information prior to Board meetings to ensure that the Directors can make informed decisions when fulfilling their responsibilities. All meeting minutes and written resolutions of the Board and its committees are kept by the company secretary of the Company (the "Company Secretary"), and such records are available for inspection at any reasonable time on reasonable notice by any Director.

During the Year, the Board held 11 meetings. The attendance of each Director at Board meetings and general meetings of the Company held during the Year is set out below.

	Attendance/number of meetings held	
Name of director	**Board meeting#**	**General meeting**
Cheung Siu Fai (appointed with effect from 20 February 2020)	9/9	0/1
Zhao Ruiyong (re-designated with effect from 2 March 2021)	7/11	0/1
Li Bing (resigned with effect from 9 November 2020)	4/8	0/1
Cheung Ka Heng Frankie (re-designated with effect from 2 March 2021)	11/11	1/1
Zhao Guangming (resigned with effect from 31 August 2020)	3/6	0/1
Huang Tao (resigned with effect from 2 March 2021)	11/11	0/1
Fong Wai Ho (appointed with effect from 20 February 2020)	9/9	1/1
Leung Wai Kei (appointed with effect from 20 February 2020) (resigned with effect from 12 March 2021)	9/9	0/1
Lam Chik Shun Marcus (appointed with effect from 20 February 2020) (resigned with effect from 12 March 2021)	9/9	0/1

\# *Including physical meetings and meetings held by telephone conference*

On those occasions where it was not practical to convene physical meetings, in lieu thereof, written resolutions of the Board together with full copies of related documents were circulated to all Directors for consideration and approval. During the Year under review, all such written resolutions were approved by all Directors.

BOARD AND MANAGEMENT

The Board is collectively responsible for all businesses and affairs of the Company. The Board has delegated authority to various committees to deal with specific matters under defined terms of reference. Details of the Board committees are set out in the section headed "Board Committees" on pages 16 to 18 of this annual report. The Board has also delegated the day-to-day management of the Company's businesses to executive Directors and senior management members while reserving certain key matters, mainly laying down strategies, reviewing policies, monitoring operational and financial performance and ensuring effective governance and sound internal control and risk management systems, under its own management.

INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Newly appointed Directors are provided with induction training immediately after appointment to ensure that they have appropriate understanding of the business and operations of the Group and that they are fully aware of their responsibilities and obligations under the Listing Rules including the Corporate Governance Code, and other applicable regulatory requirements.

There are also arrangements in place in respect of providing continuing professional development to Directors in order to facilitate the performance of their duties. The Company Secretary distributes various reading materials to Directors from time to time to update them on amendments to the relevant laws, rules and regulations to develop and refresh their knowledge and skills. The Directors are also encouraged to participate in external trainings at the Company's expense. All Directors are required to provide the Company annually with their training records. According to the training records maintained by the Company, the trainings received by each of the Directors during the Year is summarised as below.

Name of director	Regulatory updates or corporate governance related materials
Cheung Siu Fai (appointed with effect from 20 February 2020)	✓
Zhao Ruiyong (re-designated with effect from 2 March 2021)	✓
Li Bing (resigned with effect from 9 November 2020)	✓
Cheung Ka Heng Frankie (re-designated with effect from 2 March 2021)	✓
Zhao Guangming (resigned with effect from 31 August 2020)	✓
Huang Tao (resigned with effect from 2 March 2021)	✓
Fong Wai Ho (appointed with effect from 20 February 2020)	✓
Leung Wai Kei (appointed with effect from 20 February 2020) (resigned with effect from 12 March 2021)	✓
Lam Chik Shun Marcus (appointed with effect from 20 February 2020) (resigned with effect from 12 March 2021)	✓

CHAIRMAN AND CHIEF EXECUTIVE

During the Year, Mr. Zhao Ruiyong was the Chairman, Mr. Cheung Ka Heng Frankie was the Vice-Chairman and Ms. Li Bing was the Chief Executive Officer until her resignation on 9 November 2020. The Chairman and the Vice-Chairman were responsible for providing leadership to the Board and monitoring Board effectiveness and shareholder communications. The Chief Executive Officer was responsible for the overall management of the Group.

With effect from 2 March 2021, Mr. Zhao Ruiyong was re-designated as a non-executive Director and ceased to be the Chairman, Mr. Cheung Ka Heng Frankie was re-designated as a non-executive Director and ceased to be the Vice-Chairman and Mr. Cheung Siu Fai was appointed as the Chairman. Mr. Cheung Siu Fai also assumed the role of the acting Chief Executive Director until a suitable candidate is identified.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors are highly skilled professionals with a broad range of expertise and experience in the fields of accounting, finance and business. Their skills and expertise can ensure that strong independent views and judgment are brought in the Board's deliberations and that such views and judgment carry weight in the Board's decision-making process. Their presence and participation also enable the Board to maintain high standards of compliance in financial and other mandatory reporting requirements, and provide adequate checks and balances to safeguard the interests of the Company and its shareholders.

Each of Mr. Fong Wai Ho, Mr. Chow Hiu Tung and Mr. Cheung Sze Ming, independent non-executive Directors, has entered into an appointment letter with the Company for a specific term of 3 years subject to the retirement and re-election requirements of the Bye-laws, and such term may be terminated by the relevant independent non-executive Director with not less than one month's written notice.

BOARD COMMITTEES

The Board has established three regular committees, comprising the Audit Committee, the Remuneration Committee and the Nomination Committee, and has delegated various responsibilities to those committees. The committees perform their distinct roles in accordance with their respective terms of reference which are available on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.gwbrhk.com).

All committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company's expense.

AUDIT COMMITTEE

The Audit Committee was established on 29 September 1999 and comprised of all independent non-executive Directors during the Year. As at the date of this annual report, the Audit Committee comprised three independent non-executive Directors, namely Mr. Fong Wai Ho, Mr. Chow Hiu Tung and Mr. Cheung Sze Ming. Mr. Fong Wai Ho, who has the appropriate financial-related professional qualification and experience, is the chairman of the Audit Committee.

The principal role of the Audit Committee is to review the effectiveness of the financial reporting practices, the quality and integrity of the financial reports, the internal control and risk management systems and the audit functions of the Company; and to review the nature and scope of the external audit and internal audit of the Company, the results of their examinations as well as their evaluations on the internal control and risk management systems. The Audit Committee is also responsible for nominating external auditors and approving their audit fees and is granted the authority to investigate any activities within its terms of reference. There is no disagreement between the Directors and the Audit Committee regarding the selection and appointment of the external auditor of the Company.

During the Year, the Audit Committee held 4 meetings out of which three meetings were held to review the interim and annual results with the presence of the external auditor of the Company, in particular, assessing any changes in accounting policies and practices, major judgmental areas and compliance with applicable legal and accounting requirements and standards; to review the internal control and risk management systems; and to approve the audit fees of the external auditor of the Company.

The attendance of each member of the Audit Committee at the committee meetings held during the Year is set out below.

Name of director	**Attendance/number of Audit Committee meetings# held**
Fong Wai Ho (appointed as the committee chairman with effect from 20 February 2020)	4/4
Zhao Guangming (resigned with effect from 31 August 2020)	3/3
Huang Tao (resigned with effect from 2 March 2021)	4/4
Leung Wai Kei (appointed as a committee member with effect from 31 August 2020) (resigned with effect from 12 March 2021)	2/2

Including physical meetings and meetings held by telephone conference

REMUNERATION COMMITTEE

The Remuneration Committee was established on 18 December 2001 and comprised of a majority of independent non-executive Directors during the Year. As at the date of this annual report, the Remuneration Committee comprised three independent non-executive Directors, namely Mr. Fong Wai Ho, Mr. Chow Hiu Tung and Mr. Cheung Sze Ming. Mr. Fong Wai Ho is the chairman of the Remuneration Committee.

The Remuneration Committee is responsible for determining a mechanism for setting the Group's remuneration structure with reference to fair and objective standards, determining and reviewing the remuneration of Directors and addressing and dealing with such other matters relating to remuneration as directed by the Board from time to time.

During the Year, the Remuneration Committee held 1 meeting to determine, with delegated responsibility, the remuneration packages of individual executive Directors for the year ending 31 December 2020.

The attendance of each member of the Remuneration Committee at the committee meeting held during the Year is set out below.

Name of director	**Attendance/number of Remuneration Committee meetings[#] held**
Huang Tao (committed chairman and resigned with effect from 2 March 2021)	1/1
Zhao Ruiyong (ceased to be a committee member with effect from 2 March 2021)	1/1
Zhao Guangming (resigned with effect from 31 August 2020)	N/A
Leung Wai Kei (appointed as a committee member with effect from 31 August 2020) (resigned with effect from 12 March 2021)	1/1

\# *Including physical meetings and meetings held by telephone conference*

NOMINATION COMMITTEE

The Nomination Committee was established on 9 December 2011 and comprised of a majority of independent non-executive Directors during the Year. As at the date of this annual report, the Nomination Committee comprised three independent non-executive Directors, namely Mr. Fong Wai Ho, Mr. Chow Hiu Tung and Mr. Cheung Sze Ming, and one executive Director, namely Mr. Cheung Siu Fai. Mr. Cheung Siu Fai, the chairman of the Board, is also the chairman of the Nomination Committee.

The Nomination Committee is responsible for identifying, recruiting and evaluating new nominees to the Board; reviewing the structure, size and composition of the Board, including the skills, knowledge, experience of Directors and the time devoted by Directors in fulfilling their responsibilities; assessing the independence of independent non-executive Directors; together with addressing and dealing with such other matters relating to nominations as directed by the Board from time to time.

The Nomination Committee leads the process and makes recommendations for appointments to the Board. In evaluating and selecting candidates for directorship, the Nomination Committee considers the candidates' character and integrity, skill and expertise, professional and educational background and potential time commitment as well as other statutory or regulatory requirements.

During the Year, the Nomination Committee held 1 meeting to review the structure, size and composition of the Board. Information relating to the policy on Board diversity is set out in the section headed "Board Diversity Policy" on page 13 of this annual report.

The attendance of each member of the Nomination Committee at the committee meeting held during the Year is set out below.

Name of director	**Attendance/number of Nomination Committee meetings# held**
Zhao Ruiyong (ceased to be the committee chairman with effect from 2 March 2021)	1/1
Zhao Guangming (resigned with effect from 31 August 2020)	N/A
Huang Tao (resigned with effect from 2 March 2021)	1/1
Leung Wai Kei (appointed as a committee member with effect from 31 August 2020) (resigned with effect from 12 March 2021)	1/1

\# *Including physical meetings and meetings held by telephone conference*

CORPORATE GOVERNANCE FUNCTION

The Board is responsible for performing corporate governance duties including to (a) develop and review the Company's policies and practices on corporate governance; (b) review and monitor the training and continuous professional development of Directors and senior management; (c) review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; (d) develop, review and monitor the code of conduct applicable to employees and Directors; and (e) review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report under Appendix 14 to the Listing Rules.

The corporate governance policy is formulated with an emphasis on the Board's quality, effective internal control, stringent disclosure practices and transparency and accountability to all shareholders of the Company. The Board strives to comply with the Code Provisions and reviews its corporate governance policy regularly in order to maintain high standards of business ethics and corporate governance, and to ensure the full compliance of our operations with applicable laws and regulations.

SENIOR MANAGEMENT'S REMUNERATION

The Directors considered that they are the only senior management of the Group. Details of the remuneration of each Director for the Year are set out in note 11 to the consolidated financial statements.

AUDITOR'S REMUNERATION

For the Year, the remuneration payable to the auditors of the Company amounted to approximately HK$1,448,000 of which approximately HK$1,323,000 related to audit services, approximately HK$125,000 related to non-audit services related to agreed upon procedures in connection with 2020 interim report.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with the statutory requirements and applicable accounting standards.

The statement by the auditors of the Company about their reporting responsibilities is set out in the section headed "Independent Auditor's Report" on pages 32 to 35 of this annual report.

COMPANY SECRETARY

Mr. Law Hoi Ching, the Company Secretary, is an employee of the Company and has day-to-day knowledge of the Company's affairs. Mr. Law has confirmed that he has taken no less than 15 hours of relevant professional training during the Year.

SHAREHOLDERS' RIGHTS

CONVENING A SPECIAL GENERAL MEETING BY SHAREHOLDERS

Pursuant to Bye-law 58 of the Bye-laws, shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists, deposited at the Company's principal place of business in Hong Kong, Room 1602, 16/F., COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong, and marked for the attention of the Board or the Company Secretary, and may consist of several documents in like form each signed by one or more requisitionists.

The requisition will be verified by the Company's branch share registrar and transfer office in Hong Kong and upon its confirmation that the written requisition is proper and in order, the Board shall convene and hold such a special general meeting within 2 months after the deposit of such requisition. If within 21 days from the date of such deposit the Board fails to proceed to convene such meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves do so in accordance with Section 74 of the Companies Act 1981 of Bermuda, but any meeting so convened shall not be held after the expiration of three months from the said date.

SENDING ENQUIRIES TO THE BOARD

Shareholders and other stakeholders of the Company may send their enquiries and concerns in writing to the Board by addressing them to the Board or the Company Secretary at the Company's principal place of business in Hong Kong, Room 1602, 16/F., COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong, and the Company Secretary shall forward such written enquiries and concerns received to the Board for further handling.

PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

Pursuant to Sections 79 and 80 of the Companies Act 1981 of Bermuda, it shall be the duty of the Company, on the requisition in writing of such number *Note 1* of shareholders, at the expense of the requisitionists unless the Company otherwise resolves,

(a) to give to shareholders of the Company entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and

(b) to circulate to shareholders of the Company entitled to receive notice of any general meeting any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The Company will not give notice of any such resolution or to circulate any such statement unless:

(a) a copy of the requisition signed by the requisitionists, or two or more copies which between them contain the signatures of all the requisitionists, is deposited at the Company's principal place of business in Hong Kong, Room 1602, 16/F., COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong, and marked for the attention of the Board or the Company Secretary, and (i) in the case of a requisition requiring notice of a resolution, not less than six weeks *Note 2* before the meeting; and (ii) in the case of any other requisition, not less than one week before the meeting; and

(b) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto.

The requisition will be verified by the Company's branch share registrar and transfer office in Hong Kong.

Note 1 The number of shareholders necessary for a requisition shall be (a) either any number of shareholders representing not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates; or (b) not less than one hundred shareholders.

Note 2 If, after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the company, an annual general meeting is called for a date six weeks or less after the copy has been deposited, the copy though not deposited within the time required shall be deemed to have been properly deposited for the purposes thereof.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Board communicates with the Company's shareholders and potential investors through various channels. The Board members meet and communicate with shareholders at AGMs and other general meetings where shareholders can obtain better understanding of the business and operating performance of the Group. Corporate communications (such as interim and annual reports, notices, circulars and announcements) are sent to shareholders in a timely manner and are available on the websites of the Company and the Stock Exchange.

During the Year, an annual general meeting of the Company was held on 30 June 2020.

CONSTITUTIONAL DOCUMENTS

There was no change in the constitutional documents of the Company during the Year.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has overall responsibility for maintaining the Group's internal control systems and risk management and reviewing their effectiveness. The internal control systems of the Group are designed to provide reasonable and not absolute assurance against material misstatements or losses, to manage rather than eliminate the risks of system failures, and to assist in the achievement of the Group's goals. The systems are also structured to safeguard the Group's assets, to ensure the maintenance of proper accounting records, adequacy of resources, qualifications and experience of staff for the Company's accounting and financial reporting functions and compliance with applicable laws, rules and regulations, as well as risk management functions. The Company has also appointed an independent internal auditor to review the effectiveness of risk management and internal control system of the Group for the Year. Main features of the risk management and internal control systems are described in the sections below:

RISK MANAGEMENT SYSTEM

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- Identification: Identify ownership of risks, business objectives and risks that could affect the achievement of objectives.

- Evaluation: Analyse the likelihood and impact of risks and evaluate the risk portfolio accordingly.

- Management: Consider the risk responses, ensure effective communication to the Board and on-going monitor the residual risks.

Based on the risk assessments conducted in 2020, other than non-compliance with the Listing Rules disclosed in above "Introduction" sub-section of this Corporate Governance Report, no significant risk was identified.

INTERNAL CONTROL SYSTEM

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") 2013 framework. The framework enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The main features and components of the framework are shown as follow:

- Control Environment: A set of standards, processes and structures that provide the basis for carrying out internal control across the Group.

- Risk Assessment: A dynamic and iterative process for identifying and analysing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed.

- Control Activities: Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out.

- Information and Communication: Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.

- Monitoring: Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group also adopts and implements an inside information policy and procedures. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- The access to information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.

- Confidentiality agreements are in place when the Group enters into significant negotiations.

- The executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.

During the Year, the Board has conducted a review of the effectiveness of the internal control system of the Group. Based on the internal control reviews conducted, other than non-compliance with the Listing Rules disclosed in above "Introduction" sub-section of this Corporate Governance Report, no significant control deficiency was identified.

INTERNAL AUDIT

During the Year, given the current size and level of operations of the Group, the Group did not have an internal audit function but had appointed external consultants to review the risk management and internal control systems by conducting interviews, walkthroughs and tests of operating effectiveness.

A review of the risk management and internal control systems is conducted at least annually and the results are reported to the Board via the Audit Committee afterwards.

The Board considers that it is a continuous process for the Group to review and improve its risk management and internal control systems in order to ensure that they can meet with the dynamic and ever-changing business environment and regulatory framework. A review of the effectiveness of the Group's risk management and internal control systems is conducted annually by the Audit Committee. Several areas have been considered during the reviews, which include but not limited to (i) the changes in the nature and extent of significant risks since the last annual review, and the Group's ability to respond to changes in its business and the external environment (ii) the scope and quality of management's ongoing monitoring of risks and of the internal control systems. As part of an on-going process for identifying, evaluating and managing material risks faced by the Group, the Company conducts regular reviews of material business processes and procedures in the Group's operations. Having conducted such reviews for the Year, the Board considers that the Group's risk management and internal control systems are reasonably implemented and effective and adequate, and the Company has compiled with the Code Provisions of the Corporate Governance Code relating to the risk management and internal control. Nevertheless, the Group will continue the process of reviewing the effectiveness of the risk management and internal control systems, focusing on specific business processes.

DIRECTORS' REPORT

The Board of Directors of the Company is pleased to present this annual report together with the audited consolidated financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Company's subsidiaries are the provision of telecommunication and related services, as well as financial payment processing solution and software development services and distribution business. A list of the Company's principal subsidiaries as of 31 December 2020 and their particulars are set out in note 18 to the consolidated financial statements.

BUSINESS REVIEW

The business review of the Company for the Year is set out in the sections headed "Financial Highlights", "Chairman's Statement", "Business Review", "Financial Review" and "Corporate Governance Report" on page 3, page 4, pages 5 to 6, pages 7 to 9 and pages 12 to 22 respectively of this annual report, as well as in the Company's Environmental, Social and Governance Report 2020 which will be published on the respective websites of the Company and the Stock Exchange within three months after the publication of this annual report. An analysis of the Group's performance for the Year by segment is set out in note 6 to the consolidated financial statements.

FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last five financial years is set out on page 113 of this annual report.

MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the aggregate turnover attributable to the five largest customers of the Group accounted for approximately 59.8% of the Group's total turnover, with the largest customer accounting for approximately 27.8% of the Group's total turnover.

For the Year, the aggregate purchases attributable to the five largest suppliers of the Group accounted for approximately 75.3% of the Group's total purchases, with the largest supplier accounting for approximately 29.5% of the Group's total purchases.

During the Year, none of the Directors or any of their close associates or any shareholder (which to the knowledge of the Directors own more than 5% of the Company's total issued share capital) had any interests in any of the Group's five largest customers or suppliers mentioned above.

PROPERTY, PLANT AND EQUIPMENT

Details of movements of the property, plant and equipment of the Group during the Year are set out in note 13 to the consolidated financial statements in this annual report.

RESULTS

The Group's results for the Year are set out in the consolidated statement of profit or loss on pages 36 to 37 of this annual report.

DIVIDEND AND DIVIDEND POLICY

The Board does not recommend the payment of a dividend for the Year (2019: Nil).

The Company has a dividend policy which sets out the principles and guidelines in relation to the declaration, payment and distribution of the Company's net profits as dividends to its shareholders. Pursuant to the Company's dividend policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board shall consider the following factors: (a) the Group's actual and expected financial results, (b) the Group's working capital requirements, capital expenditure requirements and future expansion plans, (c) the Group's liquidity position, (d) contractual restrictions on payment of dividends by the Group to its shareholders, (e) the general economic conditions and other external factors that may have an impact on the future business and financial performance of the Group, and (f) any other factors that the Board may consider relevant; the payment of the dividend by the Company is also subject to any restrictions under the bye-laws of the Company, the Companies Act 1981 of Bermuda and other applicable laws and regulations; and the Board shall review the dividend policy as appropriate from time to time.

RESERVES

Details of the movements in the reserves of the Company and the Group during the Year are set out in note 31(a) to the consolidated financial statements and on page 41 of this annual report respectively.

As at 31 December 2020 and 2019, there were no reserves available for distribution to shareholders of the Company.

SHARE CAPITAL

Details of movements in share capital of the Company are set out in note 27 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

Save for the share option scheme of the Company disclosed in the section headed "Share Option Scheme" below, no equity-linked agreement was entered into by the Company during the Year or subsisted as at 31 December 2020.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

TAX RELIEF

The Company is not aware of any relief from taxation available to shareholders by reason of their holdings in the Shares.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the bye-laws of the Company or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to its existing shareholders.

SHARE OPTION SCHEME

The Share Option Scheme shall be valid and effective for a period of 10 years until 27 June 2028. The maximum number of share options which can be granted under the Share Option Scheme is 105,028,000, representing 10% of the issued shares of the Company as at the date of the adoption of the Share Option Scheme and the date of this report. A summary of the principal terms of the Share Option Scheme is set out in the circular of the Company dated 28 May 2018 and in note 28 to the consolidated financial statements.

During the Year, no share option was outstanding or had been granted or agreed to be granted under the Share Option Scheme. No options were ever granted under the Share Option Scheme.

DIRECTORS

The Directors who were in office during the Year and up to the date of this annual report are:

EXECUTIVE DIRECTORS

Cheung Siu Fai *(Chairman and acting Chief Executive Officer)*
(appointed as executive director with effect from 20 February 2020)
(appointed as chairman and acting chief executive officer with effect from 2 March 2021)
Hui Chun Wai Henry *(appointed with effect from 2 March 2021)*
Lau Wai Yui Jimmy *(appointed with effect from 2 March 2021)*
(resigned with effect from 12 March 2021)
Li Bing *(resigned with effect from 9 November 2020)*

NON-EXECUTIVE DIRECTORS

Zhao Ruiyong *(re-designated with effect from 2 March 2021)*
Cheung Ka Heng Frankie *(re-designated with effect from 2 March 2021)*

INDEPENDENT NON-EXECUTIVE DIRECTORS

Fong Wai Ho *(appointed with effect from 20 February 2020)*
Chow Hiu Tung *(appointed with effect from 12 March 2021)*
Cheung Sze Ming *(appointed with effect from 12 March 2021)*
Leung Wai Kei *(appointed with effect from 20 February 2020)*
(resigned with effect from 12 March 2021)
Lam Chik Shun Marcus *(appointed with effect from 20 February 2020)*
(resigned with effect from 12 March 2021)
Huang Tao *(resigned with effect from 2 March 2021)*
Zhao Guangming *(resigned with effect from 31 August 2020)*

Biographical details of the Directors as of the date of this annual report are set out in the section headed "Board of Directors" on pages 10 to 11 of this annual report.

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), and the Company has assessed their independence and considers all the independent non-executive Directors to be independent.

DIRECTORS' SERVICE CONTRACTS

Details of the Directors' remuneration are set out in note 11 to the consolidated financial statements.

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2020, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, the "SFO") as were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO, or as were recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as follows:

INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

Name of director	Capacity	Number of Shares# interested	Approximate percentage of shareholding
Zhao Ruiyong	Interest of a controlled corporation	222,820,000 *(Notes 1&2)*	21.22%

\# *"Shares" means ordinary shares of HK$0.01 each in the share capital of the Company.*

Notes:

1. *The 222,820,000 Shares were beneficially owned by Great Wall Belt & Road (HK) Limited ("Great Wall HK"), which was wholly-owned by Zhejiang Qingfeng Yuansheng Culture Limited* (浙江清風原生文化有限公司) (formerly known as Great Wall Film & Culture Company Group Limited* (長城影視文化企業集團有限公司)) ("Great Wall Group"). Great Wall Group was in turn owned as to 66.67% and 33.33% by Mr. Zhao Ruiyong and Mr. Zhao Feifan respectively. Therefore, each of Great Wall Group, Mr. Zhao Ruiyong and Mr. Zhao Feifan was deemed to be interested in the 222,820,000 Shares held by Great Wall HK pursuant to Part XV of the SFO.*

2. *These Shares were subject to a share charge entered into between Great Wall HK (as chargor) and Ms. Tam Yuk Ching Jenny (as chargee) on 23 January 2019. Ms. Tam Yuk Ching Jenny took steps to enforce her security interest in these Shares and appointed Mr. Yuen Tsz Chun as the sole receiver on 24 November 2020. Pursuant to a deed of share purchase dated 18 January 2021 between Mr. Yuen Tsz Chun (as vendor), Beta Dynamic Limited (as purchaser) and Mr. Cheung Siu Fai (as purchaser's guarantor), Beta Dynamic Limited acquired the 222,820,000 Shares from Mr. Yuen Tsz Chun on 20 January 2021.*

All interests disclosed above represent long positions in the shares of the Company and there were no underlying shares or debentures of the Company held by the Directors or the chief executives of the Company as at 31 December 2020.

INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF ASSOCIATED CORPORATIONS

Name of director	Name of associated corporation	Capacity	Amount of Registered Capital# interested	Approximate percentage of shareholding
Zhao Ruiyong	Wusu Silk Road Small Towns Cultural Tourism Company Limited* (烏蘇絲路小鎮文旅有限公司) ("Wusu Company") *(Notes 3&4)*	Interest of a controlled corporation	RMB150,000,000	75.00%

\# *"Registered Capital" means the registered capital of Wusu Company in RMB, and Wusu Company has no shares, underlying shares or debentures.*

Notes:

3. *Wusu Company was owned as to 25% by B&R Investment, which was a wholly-owned subsidiary of the Company, and 75% by Great Wall Group. Great Wall Group was in turn owned as to 66.67% by Mr. Zhao Ruiyong. Wusu Company was an associated corporation of the Company under Part XV of the SFO as at 31 December 2020.*

4. *The Company disposed of the entire issued share capital in B&R Investment on 19 March 2021 and therefore, Wusu Company is no longer an associated corporation of the Company as at the date of this report.*

All interests disclosed above represent long positions.

Save as disclosed above, as at 31 December 2020, none of the Directors or the chief executives of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO, or as were recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither the Company nor any of its subsidiaries was a party to any arrangements to enable Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate at any time during or at the end of the Year.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2020, the interests and short positions of the persons, other than the Directors or the chief executives of the Company, in the shares and underlying shares of the Company which were required to be disclosed to the Company under provision of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of shareholder	Capacity	Number of Shares# interested	Approximate percentage of shareholding
Yuen Tsz Chun *(Note 5)*	Agent	533,500,000	50.80%
Ho Lai Ching *(Note 5)*	Interest of spouse	533,500,000	50.80%
Tam Yuk Ching Jenny *(Note 6)*	Person having a security interest	533,500,000	50.80%
Great Wall HK	Beneficial owner	222,820,000 *(Notes 1&2 above)*	21.22%
Great Wall Group	Interest of a controlled corporation	222,820,000 *(Notes 1&2 above)*	21.22%
Zhao Feifan	Interest of a controlled corporation	222,820,000 *(Notes 1&2 above)*	21.22%
Pang Ming	Beneficial owner	65,900,000	6.27%
Tsao Fai Freddy	Beneficial owner	61,420,000	5.85%
Wong Hok Man	Beneficial owner	53,330,000	5.08%

\# *"Shares" means ordinary shares of HK$0.01 each in the share capital of the Company.*

Notes:

5. *Mr. Yuen Tsz Chun Frank was appointed by Ms. Tam Yuk Ching Jenny as the sole receiver on 24 November 2020 in respect of 533,500,000 Shares. Ms. Ho Lai Ching is the spouse of Mr. Yuen Tsz Chun and is therefore deemed to be interested in these Shares under Part XV of the SFO.*

6. *On 24 November 2020, Ms. Tam Yuk Ching Jenny took steps to enforce her security interest in 533,500,000 Shares which were charged in favour of her pursuant to various share charges entered into by several Shareholders as chargors and Ms. Tam Yuk Ching Jenny as chargee on 23 January 2019.*

All interests disclosed above represent long positions in the shares of the Company.

Save as disclosed above, as at 31 December 2020, no other person, other than the Directors and the chief executives of the Company, had any interest or short position in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO or otherwise notified to the Company.

EMPLOYEE AND REMUNERATION POLICIES

As at 31 December 2020, the Group had 20 (2019: 35) employees in China, Hong Kong and Singapore and its total staff costs for the Year were approximately HK$14.4 million (2019: approximately HK$18.8 million).

The Group's remuneration policies are formulated on the basis of the performance and experience of individual employees and are in line with local market practices where the Group operates. In addition to salary and bonus payments, the Group also offers other fringe benefits, including provident fund and medical benefits, to employees. A new share option scheme as set out in the above section headed "Share Option Scheme" was adopted by the Company on 28 June 2018 as an incentive to Directors and employees. Directors' remuneration is decided by the Remuneration Committee of the Company, having regard to the Company's operating results, individual performance and comparable market statistics. The Group also provides relevant trainings to its employees in accordance with the skill requirements of different positions.

RETIREMENT BENEFIT SCHEMES

Details of the Group's retirement benefit schemes are set out in note 3 to the consolidated financial statements.

PERMITTED INDEMNITY PROVISION

Pursuant to the Bye-laws, each Director or other officer of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which he or she shall or may incur or sustain in or about the execution and discharge of his or her duties or in relation thereto. The Company has maintained appropriate directors and officers liability insurance that provides such indemnities to all Directors and other officers of the Company.

MANAGEMENT CONTRACT

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the Year.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed below, no transaction, arrangement or contract that is significant in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or a connected entity of a Director had, directly or indirectly, a material interest subsisted at any time during or at the end of the Year.

FORMATION OF JOINT VENTURE

B&R Investment (a wholly-owned subsidiary of the Company during the Year) and Great Wall Group, a company owned by Mr. Zhao Ruiyong as to 66.67%, entered into a joint venture agreement ("JV Agreement") on 8 September 2017 pursuant to which they formed a joint venture company, namely Wusu Company. Wusu Company is owned as to 25% by B&R Investment and 75% by Great Wall Group. The registered capital of Wusu Company is RMB200,000,000. Pursuant to the JV Agreement, B&R Investment had contributed RMB50,000,000 to Wusu Company.

The Company disposed of the entire issued share capital of B&R Investment on 19 March 2021.

Please refer to the announcements of the Company dated 8 September 2017, 20 November 2020 and 19 March 2021 and the circulars dated 8 December 2017 and 24 February 2021 for further details.

DIRECTORS' LOANS

On 30 August 2019, the Company and certain directors of the Company entered into the following loan agreements:

1. the loan agreement entered into between the Company and Mr. Zhao Ruiyong, pursuant to which Mr. Zhao agreed to provide a loan in the principal amount of not exceeding HK$38,000,000 to the Company. The repayment date of the loan is 31 March 2021. The loan is interest free and the Company is not required to provide any security or guarantee in respect of the loan. As at 31 December 2020, the Company had drawn approximately HK$2,378,000 under this loan agreement.

2. the loan agreement entered into between the Company and Ms. Li Bing, pursuant to which Ms. Li agreed to provide a loan in the principal amount of not exceeding HK$500,000 to the Company. The repayment date of the loan is 31 December 2019. The loan is interest free and the Company is not required to provide any security or guarantee in respect of the loan. As at 31 December 2020, the Company had drawn HK$440,000 under this loan agreement.

3. the loan agreement entered into between the Company and Mr. Cheung Ka Heng Frankie, pursuant to which Mr. Frankie Cheung agreed to provide a loan in the principal amount of not exceeding HK$2,000,000 to the Company. The repayment date of the loan is 31 December 2019. The loan is interest free and the Company is not required to provide any security or guarantee in respect of the loan. The maximum principal amount of the loan was increased to HK$2,500,000 and the repayment date was extended to 31 January 2020 pursuant to a supplemental agreement entered into on 23 December 2019. The maximum principal amount was further increased to HK$3,000,000 pursuant to the second supplemental agreement entered into on 13 January 2020. Pursuant to the third supplemental agreement entered into on 17 February 2020, the maximum loan amount was increased to HK$3,200,000 and the repayment date was extended to 29 February 2020. As at 31 December 2020, the Company had drawn the entire loan facility in full and overdrawn additional HK$133,000 which was also interest-free.

On 19 October 2020, the Company and Mr. Cheung Siu Fai entered into a loan agreement pursuant to which Mr. Cheung Siu Fai agreed to provide an unsecured loan in the principal amount of up to HK$10,000,000 to the Company with interest accruing at the rate of 12% per annum. The principal and interest accrued under the loan are repayable on demand. As at 31 December 2020, the Company had drawn the entire loan facility in full.

Each of Mr. Zhao Ruiyong (re-designated with effect from 2 March 2021), Ms. Li Bing (resigned with effect from 9 November 2020), Mr. Cheung Ka Heng Frankie (re-designated with effect from 2 March 2021) and Mr. Cheung Siu Fai was an executive director of the Company at the time when they signed the relevant loan agreements. Therefore, the above loan agreements constituted connected transactions of the Company under Chapter 14A of the Listing Rules. Since the above loans are conducted on normal commercial terms or better and are not secured by any assets of the Group, pursuant to Rule 14A.90 of the Listing Rules, these loans are fully exempt from the announcement and shareholders' approval requirements under Chapter 14A of the Listing Rules.

Details of the Directors' loans set out above are also disclosed in notes 24(c)(ii) and 24(f) to the consolidated financial statements.

RELATED PARTY TRANSACTIONS

The related party transactions entered into by the Company and subsisting during the Year are set out in Note 30 to the consolidated financial statements. Other than the transactions referred to in notes 21(d), 24(c)(ii), 24(f) and 30(c), the related party transactions do not fall under the definition of "connected transaction" or "continuing connected transaction" under Chapter 14A of the Listing Rules.

The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules during the Year.

RELATIONSHIP WITH CUSTOMERS

Maintaining and consolidating its relationship with customers is crucial to increasing the profits of the Company. When entering into business relationship with customers, the Group has adopted various methods to collect and report their needs and expectations and taken proactive and corresponding measures for improvement. The results of such measures were reviewed and feedbacks were provided to the customers. The main duties include recording verbal feedbacks, opinions, suggestions, complaints or praises of customers when communicating with the customers and conducting a customer satisfaction survey by sending out questionnaires to the customers etc.

RELATIONSHIP WITH SUPPLIERS

On one hand, we will maintain a good relationship with suppliers with a focus on services and addressing issues through cooperation and negotiation as well as sharing cost to create a long-term win-win situation.

On the other hand, we will maintain moderate "competition" with suppliers. As counterparties to transactions, we have had multiple negotiations regarding transaction price due to the parties both being insistent on matters related to their principles. We have established a management mechanism system for suppliers to reduce procurement cost.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, at least 25% of the Company's total issued share capital is held by the public as required under the Listing Rules.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

On 18 January 2021, Mr. Yuen Tsz Chun (as receiver and vendor), Beta Dynamic Limited (as purchaser) and Mr. Cheung Siu Fai (as purchaser's guarantor) entered into a deed of share purchase pursuant to which Beta Dynamic Limited acquired 533,500,000 Shares, representing approximately 50.80% of the total issued share capital of the Company, from Mr. Yuen Tsz Chun as part of the enforcement actions taken by Mr. Yuen Tsz Chun as the sole receiver of these Shares appointed by Ms. Tam Yuk Ching Jenny as the chargee. On 28 January 2021, Beta Dynamic Limited made a mandatory unconditional cash offer to acquire all Shares other than those owned or agreed to be acquired by it. Such mandatory offer closed on 25 February 2021 and Beta Dynamic Limited acquired 23,262,589 Shares under the offer. As at the date of this report, Beta Dynamic Limited held an aggregate of 556,762,589 Shares, representing approximately 53.01% of the total issued share capital of the Company.

Please refer to note 38 to the consolidated financial statements for details of the other important events after the reporting period.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 13 May 2020, the Company as vendor entered into a sale and purchase agreement with Shaanxi China Investment Asset Management Company Limited* (陝西中投資產管理有限公司) (the "Previous Purchaser") as purchaser for the sale and purchase of the entire issued share capital of B&R Investment for a consideration of RMB50,000,000. The Company was informed by the Previous Purchaser that it wished to terminate the sale and purchase agreement as it was unable to pay the remaining balance of the consideration of RMB47,500,000. The Company forfeited the deposit of RMB2,500,000 paid by the Previous Purchaser as agreed in the termination deed dated 20 November 2020 between the Company and the Previous Purchaser by which the sale and purchase agreement was terminated.

On 20 November 2020, the Company entered into another sale and purchase agreement with Vantage Network Global Limited (the "New Purchaser") for the disposal of the entire issued share capital of B&R Investment for an aggregate consideration of RMB47,500,000. The disposal completed on 19 March 2021.

Please refer to the announcements of the Company dated 13 May 2020, 20 November 2020 and 19 March 2021 and the circular dated 24 February 2021 for further details.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS AND THEIR EXPECTED SOURCES OF FUNDING IN THE COMING YEAR

As disclosed in the announcement of the Company dated 3 March 2021, the Company as purchaser entered into a provision agreement with Ritzy Soar Limited as vendor to purchase the entire issued share capital of Palico Development Limited for a consideration of HK$51,750,000. Palico Development Limited holds an industrial property located in Hong Kong for investment purpose. The Company intends to finance the consideration mainly by the proceeds received from disposal of B&R Investment and other borrowing.

AUDITOR

Mazars CPA Limited ("Mazars") resigned as the auditor of the Company with effect from 8 December 2020 as the Company and Mazars could not reach a consensus on the audit fee for the financial year ended 31 December 2020. Confucius International CPA Limited ("Confucius") was appointed as auditor of the Company on 11 December 2020 to fill the vacancy occasioned by the resignation of Mazars and they will hold office until the conclusion of the forthcoming annual general meeting of the Company.

The financial statements for the Year have been audited by Confucius, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

The Group is committed to achieving high standards of environmental, social and governance performance and meeting all applicable legal requirements in the markets where we operate. This is an important foundation for the Group to engage with our stakeholders and grow our business responsibly and sustainably. In addition, the Group attaches great importance to the employee development, environmental protection and supplier management.

Over the years, the Group has made considerable endeavours in reducing waste in the course of its operations. Since 2015, the Company has participated in the "Wastewi$e Certificate" of the Hong Kong Green Organisation Certification, which is a recognition scheme established by, among others, the Environmental Protection Department and Environmental Campaign Committee to encourage Hong Kong businesses and organisations in adopting structured measures to reduce the amount of waste generated within their establishments or generated through the services and products they provide.

More information about the Group's environmental, social and governance performance is set out in our Environmental, Social and Governance Report 2020 which will be published on the respective websites of the Company and the Stock Exchange within three months after the publication of this annual report.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group is subject to various laws and regulations including the Companies Law of Bermuda, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong), Telecommunications Ordinance (Cap. 106), Personal Data (Privacy) Ordinance (Cap. 486) and Employment Ordinance (Cap. 57), and, with respect to Singapore, Telecommunications Act (Cap. 323), Info-communications Media Development Authority Act 2016, Personal Data Protection Act 2012, Companies Act (Cap. 50) and Employment Act (Cap. 91), and, with respect to both, the Listing Rules. All these laws, rules and regulations have significant impact on the Group's business operation in Hong Kong and Singapore during the Year. Through the implementation of internal controls and approval procedures, the Group has complied in all material respects with relevant laws and regulations that have significant impact on the operations of the Group for the Year.

* *for identification purpose only*

On behalf of the Board

Cheung Siu Fai
Chairman and Executive Director

Hong Kong, 31 March 2021

INDEPENDENT AUDITOR'S REPORT

PAN-CHINA
天健國際會計師事務所有限公司
Confucius International CPA Limited Certified Public Accountants

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TO THE MEMBERS OF GREAT WALL BELT & ROAD HOLDINGS LIMITED
長城一帶一路控股有限公司
(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Great Wall Belt & Road Holdings Limited ("the Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 36 to 112, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects on the corresponding figures of the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR QUALIFIED OPINION

OPENING BALANCE AND CORRESPONDING FIGURES

The consolidated financial statements of the Company for the year ended 31 December 2019 were audited by other auditors (the "Predecessor Auditors"), who expressed a qualified opinion on 15 May 2020. The Predecessor Auditors were unable to satisfy themselves about i) the recoverability of trade receivables of HK$4,196,000 and other receivables of HK$16,691,000 ("Trade and Other Receivables") and ii) the validity and recoverability of the payments to several debtors in aggregate of approximately HK$5,090,000 ("Payments to Debtors") as recorded in the other receivables, and unable to determine whether any adjustments to the full loss allowances recognised during the year ended 31 December 2019 in respect of the trade and other receivables were necessary, which might have a significant impact on the Group's financial position as at 31 December 2019, and its financial performance and the elements making up the consolidated statement of cash flows for the year ended 31 December 2019 and related disclosures in the consolidated financial statements.

These amounts were fully provided for during the year ended 31 December 2019. We were unable to obtain sufficient appropriate audit evidence regarding i) the recoverability of the Trade and Other Receivables and ii) the validity and recoverability of the Payments to Debtors as at 31 December 2019. Any adjustments that might have been found necessary would have a consequential effect on the Group's net assets as at 1 January 2020 and its financial performance and the elements making up the consolidated statement of cash flows for current and prior year, and related disclosures in the consolidated financial statements.

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of trade and other receivables	
Referring to notes 4 and 35 to the consolidated financial statements, as at 31 December 2020, the Group had recognised impairment losses, net of reversal, on trade and other receivables of HK$3,797,000. Impairment assessment of trade and other receivables is a key area due to the level of judgement exercised by the management in determining the amount of allowance and provisions. The balances of impairment loss allowance for the trade and other receivables represent the management's best estimates expected credit losses ("ECL") at the reporting date under the expected credit loss models. The measurement models of ECL involves significant management judgements and assumptions, primarily including the following: – Criteria for determining whether or not there was a significant increase in credit risk, or a default or impairment loss was incurred; – Economic indicators for forward-looking measurement, and application economic scenarios and weightings. We have identified management's impairment assessments of the ECL of trade and other receivables as a key audit matter because the amounts of the receivables are significant and the assessments required significant management judgement and assumption.	Our key procedures to address the matter included: • assessing the design and operating effectiveness of key controls from approval to recording and monitoring of receivables, the credit assessment process, the identification and timeliness of identifying impairment indicators, continuous re-assessment of the appropriateness of assumptions used in the collective assessment model and the management's specific provisions for individual receivables; • evaluating and assessing the consistency and reasonableness of assumptions adopted in management's calculation of impairment losses for receivables by critically assessing input parameters involving subjective judgement, seeking collaborative evidence from external sources and comparing historical losses against the Group's other internal records and prior year records. We also assessed the emergence period by tracing the life-cycle of overdue accounts from the specific credit events to downgrading the accounts to non-performing receivables; • reviewing ageing analysis of the receivables prepared by management of the Company and discussing with the management of the Company whether the amounts are recoverable on a sample basis; • examining the management's estimation on the ECL of individual balances on sample basis and the expected loss rate of each category groups and evaluating the basis and factors used in the estimation to the appropriateness of the management's identification of significant increase in credit risk, defaults and credit impaired receivables; • recalculating the provision for ECL made by the management to assess the accuracy; and • checking subsequent settlements of trade and other receivables on a sample basis.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of Hong Kong Companies Ordinance, and for such internal control as the directors of the Company determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence, that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that are of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Confucius International CPA Limited
Certified Public Accountants
YIP YUEN NGA
Practising Certificate Number: P05908
Hong Kong
31 March 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2020

	Notes	2020 HK$'000	2019 HK$'000
Revenue	*5*	**72,376**	79,210
Cost of sales		**(66,623)**	(65,719)
Gross profit		**5,753**	13,491
Other revenue and income	*7*	**43,388**	1,761
		49,141	15,252
Selling and distribution expenses		**(787)**	(1,578)
Business promotion and marketing expenses		**(157)**	(150)
Operation and administrative expenses		**(24,653)**	(34,998)
Other operating expenses		**(516)**	(19,339)
Profit (loss) from operations		**23,028**	(40,813)
Loss allowances on			
– Trade receivables	*35(c)*	**(515)**	(4,784)
– Other receivables	*35(c)*	**(3,282)**	(31,349)
Impairment losses on property, plant and equipment	*13*	**(86)**	(94)
Impairment losses on right-of-use assets	*14*	**(1,632)**	(2,517)
Impairment losses on intangible assets	*15*	**–**	(32,393)
Impairment losses on goodwill	*16*	**–**	(7,341)
Net realised loss on financial assets at FVTPL		**–**	(60,593)
Net unrealised loss on financial assets at FVTPL		**(552)**	(54,523)
Write off of property, plant and equipment		**–**	(16)
Gain on disposal of property, plant and equipment		**12**	232
Gain on disposal of an associate		**–**	195
Finance costs	*8(a)*	**(192)**	(119)
Profit (loss) before taxation	*8*	**16,781**	(234,115)
Income tax credit	*9*	**103**	8,943
Profit (loss) for the year		**16,884**	(225,172)

For the year ended 31 December 2020

	Note	**2020 HK$'000**	2019 HK$'000
Profit (loss) for the year attributable to:			
Owners of the Company		**16,851**	(219,027)
Non-controlling interests		**33**	(6,145)
		16,884	(225,172)
		HK cents	HK cents
Earnings (loss) per share			
Basic and diluted	*12*	**1.6**	(20.9)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020

	2020 HK$'000	2019 HK$'000
Profit (loss) for the year	**16,884**	(225,172)
Other comprehensive income (expense) for the year		
Item that will not be reclassified subsequently to profit or loss:		
Fair value loss of Designated FVTOCI	**(261)**	(279)
Items that may be reclassified subsequently to profit or loss:		
Derecognition of exchange reserve upon deregistration of a subsidiary	**–**	62
Exchange differences on translation of foreign subsidiaries	**2,975**	(455)
Share of other comprehensive loss of associates		
– Exchange difference on translation	**–**	(1,002)
Other comprehensive income (expense) for the year	**2,714**	(1,674)
Total comprehensive income (expense) for the year	**19,598**	(226,846)
Total comprehensive income (expense) for the year attributable to:		
Owners of the Company	**19,731**	(220,713)
Non-controlling interests	**(133)**	(6,133)
Total comprehensive income (expense) for the year	**19,598**	(226,846)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2020

	Notes	2020 HK$'000	2019 HK$'000
Non-current assets			
Property, plant and equipment	*13*	**154**	202
Right-of-use assets	*14*	**–**	–
Intangible assets	*15*	**–**	–
Goodwill	*16*	**–**	–
Interest in associates	*17*	**–**	56,079
Designated FVTOCI	*19*	**2,123**	2,384
		2,277	58,665
Current assets			
Financial assets at FVTPL	*20*	**896**	1,571
Trade and other receivables	*21*	**12,343**	12,813
Tax recoverable		**55**	52
Pledged bank deposits	*22*	**755**	738
Bank balances and cash	*23*	**33,238**	6,672
		47,287	21,846
Assets classified as disposal group held for sale	*26*	**59,188**	–
		106,475	21,846
Current liabilities			
Trade and other payables	*24*	**85,443**	75,560
Lease liabilities	*25*	**932**	3,052
		86,375	78,612
Liabilities classified as disposal group held for sale	*26*	**166**	–
		86,541	78,612
Net current assets (liabilities)		**19,934**	(56,766)
Total assets less current liabilities		**22,211**	1,899
Non-current liabilities			
Lease liabilities	*25*	**714**	–
NET ASSETS		**21,497**	1,899

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2020

	Notes	**2020 HK$'000**	2019 HK$'000
Capital and reserve			
Share capital	*27*	**10,503**	10,503
Reserves		**14,243**	(5,488)
Equity attributable to owners of the Company		**24,746**	5,015
Non-controlling interests	*18*	**(3,249)**	(3,116)
Total equity		**21,497**	1,899

The consolidated financial statements on pages 36 to 112 were approved and authorised for issue by the Board of Directors on 31 March 2021 and are signed on its behalf by:

Mr. Cheung Siu Fai
Director

Mr. Hui Chun Wai Henry
Director

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2020

	Attributable to owners of the Company: Share capital HK$'000	Share premium HK$'000	Reserve: Exchange reserve HK$'000	Investment revaluation reserve (non-recycling) HK$'000	Capital redemption reserve HK$'000	Capital reserve HK$'000	Contributed surplus HK$'000	Accumulated losses HK$'000	Total reserves HK$'000	Sub-total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
At 1 January 2019	10,503	290,303	(4,072)	(5,223)	25	(64)	83,489	(149,233)	215,225	225,728	3,017	228,745
Loss for the year	–	–	–	–	–	–	–	(219,027)	(219,027)	(219,027)	(6,145)	(225,172)
Other comprehensive (expense) income for the year												
Fair value loss of Designated FVTOCI	–	–	–	(279)	–	–	–	–	(279)	(279)	–	(279)
Derecognition of Exchange Reserve upon deregistration of a subsidiary	–	–	62	–	–	–	–	–	62	62	–	62
Exchange differences on translation of foreign subsidiaries	–	–	(467)	–	–	–	–	–	(467)	(467)	12	(455)
Share of other comprehensive expense of associates – exchange differences on translation	–	–	(1,002)	–	–	–	–	–	(1,002)	(1,002)	–	(1,002)
Total other comprehensive (expense) income for the year	–	–	(1,407)	(279)	–	–	–	–	(1,686)	(1,686)	12	(1,674)
Total comprehensive expense for the year	–	–	(1,407)	(279)	–	–	–	(219,027)	(220,713)	(220,713)	(6,133)	(226,846)
At 31 December 2019 and 1 January 2020	10,503	290,303	(5,479)	(5,502)	25	(64)	83,489	(368,260)	(5,488)	5,015	(3,116)	1,899
Profit for the year	–	–	–	–	–	–	–	16,851	16,851	16,851	33	16,884
Other comprehensive (expense) income for the year												
Fair value loss of Designated FVTOCI	–	–	–	(261)	–	–	–	–	(261)	(261)	–	(261)
Exchange differences on translation of foreign subsidiaries	–	–	3,141	–	–	–	–	–	3,141	3,141	(166)	2,975
Total other comprehensive income (expense) for the year	–	–	3,141	(261)	–	–	–	–	2,880	2,880	(166)	2,714
Total comprehensive income (expense) for the year	–	–	3,141	(261)	–	–	–	16,851	19,731	19,731	(133)	19,598
At 31 December 2020	10,503	290,303	(2,338)	(5,763)	25	(64)	83,489	(351,409)	14,243	24,746	(3,249)	21,497

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Notes	2020 HK$'000	2019 HK$'000
Operating activities			
Profit (loss) before taxation		**16,781**	(234,115)
Adjustments for:			
Interest income		**(518)**	(665)
Interest expenses	*8(a)*	**192**	119
Loss allowances on trade and other receivables	*35(c)*	**3,797**	36,133
Depreciation of			
– property, plant and equipment	*13*	**190**	573
– right-of-use assets	*14*	**176**	3,302
Amortisation of intangible assets	*15*	**–**	14,942
Impairment losses on property, plant and equipment	*13*	**86**	94
Impairment losses on right-of-use assets	*14*	**1,632**	2,517
Impairment losses on intangible assets	*15*	**–**	32,393
Impairment losses on goodwill	*16*	**–**	7,341
Net realised loss on financial assets at FVTPL		**–**	60,593
Net unrealised loss on financial assets at FVTPL		**552**	54,523
Write off of property, plant and equipment	*13*	**–**	16
Gain on disposal of property, plant and equipment		**(12)**	(232)
Gain on disposal of associates		**–**	(195)
Exchange differences		**150**	91
Operating cash flows before movements in working capital		**23,026**	(22,570)
Increase in trade and other receivables		**(2,792)**	(4,892)
Decrease in financial assets at FVTPL		**124**	14,567
(Decrease) increase in trade and other payables		**(33,280)**	6,677
Cash used in operations		**(12,922)**	(6,218)
Income tax paid		**–**	(2,047)
Interest received		**18**	161
Income tax refund		**103**	–
Net cash used in operating activities		**(12,801)**	(8,104)

	Notes	2020 HK$'000	2019 HK$'000
Investing activities			
Deposit received for disposal of a subsidiary	24	**28,025**	–
Deposit received	24	**100**	–
Purchase of property, plant and equipment	13	**(228)**	(95)
Proceeds from disposal of property, plant and equipment		**12**	706
Proceeds from disposal of interest in associates		**–**	195
(Placement) release of pledged deposits, net		**(8)**	156
Net cash generated from investing activities		**27,901**	962
Financing activities			
Loans from directors raised		**13,310**	2,840
Repayment of lease liabilities		**(3,214)**	(2,827)
Interest paid		**(35)**	(109)
Net cash generated from (used in) financing activities		**10,061**	(96)
Net increase (decrease) in cash and cash equivalents		**25,161**	(7,238)
Cash and cash equivalents at 1 January		**6,672**	13,915
Effect of foreign exchange rate changes		**1,509**	(5)
Cash and cash equivalents at 31 December		**33,342**	6,672
Analysis of the balances of cash and cash equivalents:			
Bank balances and cash		**33,238**	6,672
Assets classified as disposal group held for sales		**104**	–

1. GENERAL INFORMATION

Great Wall Belt & Road Holdings Limited (the "Company") is incorporated in Bermuda as an exempted company with limited liability and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited. The address of the registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and the addresses of its principal place of business is Room 1602, 16/F., COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong.

The principal activity of the Company is investment holding. Details of the principal subsidiaries of the Company and their principal activities are disclosed in note 18 to the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company. In addition, the functional currencies of certain group entities that operate outside Hong Kong are determined based on the currency of the primary economic environment in which the group entities operate.

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

AMENDMENTS TO HKFRSs THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR

In the current year, the Group has applied the *Amendments to References to the Conceptual Framework in HKFRS Standards* and the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the consolidated financial statements:

Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

The application of the *Amendments to References to the Conceptual Framework in HKFRS Standards* and the amendments to HKFRSs in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

NEW AND AMENDMENT TO HKFRSs IN ISSUE BUT NOT YET EFFECTIVE

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17	Insurance Contracts and the related Amendments[1]
Amendment to HKFRS 16	Covid-19-Related Rent Concessions[4]
Amendments to HKFRS 3	Reference to the Conception Framework[2]
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2[5]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)[1]
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use[2]
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract[2]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020[2]

[1] *Effective for annual periods beginning on or after 1 January 2023.*
[2] *Effective for annual periods beginning on or after 1 January 2022.*
[3] *Effective date to be determined.*
[4] *Effective for annual periods beginning on or after 1 June 2020.*
[5] *Effective for annual periods beginning on or after 1 January 2021.*

The directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong, the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

For financial instruments which are transferred at fair value and a valuation technique that unobservable inputs to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that the results of the valuation technique equal the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company, its subsidiaries and entities (including structured entities) controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

BASIS OF CONSOLIDATION *(continued)*

Changes in the Group' s interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amounts of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary, that is reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 *Financial Instruments* ("HKFRS 9") or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined the Company's Board of Directors as its chief operating decision maker.

BUSINESS COMBINATIONS OR ASSET ACQUISITIONS

Optional concentration test

Effective from 1 January 2020, the Group can elect to apply an optional concentration test, on a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

BUSINESS COMBINATIONS OR ASSET ACQUISITIONS *(continued)*

Asset acquisitions

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to investment properties which are subsequently measured under fair value model and financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

Except for certain recognition exemptions, the identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the *Framework for the Preparation and Presentation of Financial Statements*.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below);

- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and

- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

BUSINESS COMBINATIONS OR ASSET ACQUISITIONS *(continued)*

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under HKFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

GOODWILL

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

The Group's policy for goodwill arising on the acquisition of an associate is described below.

INVESTMENTS IN ASSOCIATES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operation policy decisions of the investee but is not control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is or the portion so classified is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Appropriate adjustments have been made to conform the associate's accounting policies to those of the Group. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

INVESTMENTS IN ASSOCIATES *(continued)*

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate.

NON-CURRENT ASSETS HELD FOR SALE

Non-current assets (and disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in the relevant subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale from the time when the investment (or a portion of the investment) is classified as held for sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell which continue to be measured in accordance with the accounting policies as set out in respective sections.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group recognises revenue when (or as) a performance obligation is satisfied, that is when "control" of the goods or services underlying the particular performance obligation is transferred to the customers.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, that is only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Contracts with multiple performance obligations

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

LEASES

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate stand-alone price of the non-lease components, including contract for acquisition of ownership interests of a property which includes both leasehold land and non-lease building components, unless such allocation cannot be made reliably.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of office premises that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Right-of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

LEASES *(continued)*

The Group as a lessee *(continued)*

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

LEASES *(continued)*

The Group as a lessee *(continued)*

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as lessor

The Group classifies each of its leases as either a finance lease or an operating lease at the inception date of the lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset. All other leases are classified as operating leases.

FOREIGN CURRENCIES

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise except for: exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on the disposal or partial disposal of the Group's interests in associates.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group, that is Hong Kong dollars, using the exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of foreign currency translation reserve (attributed to non-controlling interests as appropriate).

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

FOREIGN CURRENCIES *(continued)*

On the disposal of a foreign operation, that is a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals, that is partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and are translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

RETIREMENT BENEFIT COSTS

The Group other than overseas subsidiaries (including People's Republic of China (the "PRC")) operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, in accordance with the rules of the MPF Scheme.

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

The Group's subsidiary which operates in Singapore are required to contribute to the Central Provident Fund ("CPF") a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The contributions to CPF are charged to profit or loss in the period to which the contribution relates.

At the end of the reporting period, the Group had no significant forfeited voluntary contributions which arose as a result of employees leaving the MPF schemes and which are available to reduce the contributions payable by the Group in future years.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

SHARE-BASED PAYMENTS

Equity-settled share-based payments transactions

Shares/Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

When share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to capital redemption reserve. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will continue to be held in share-based payments reserve/will be transferred to accumulated losses.

When shares granted are vested, the amount previously recognised in share-based payments reserve will be transferred to capital redemption.

TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax, as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

TAXATION *(continued)*

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment including leasehold improvements, equipment, office equipment, furniture and fitting and motor vehicles are held for use in the production or supply of goods or services, or for administrative purposes and stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual value over their estimated useful lives using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

INTANGIBLE ASSETS

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

INTANGIBLE ASSETS *(continued)*

Internal-generated intangible assets – research and development

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria of development activities. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from the derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

IMPAIRMENT ON TANGIBLE AND INTANGIBLE ASSETS OTHER THAN GOODWILL

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment, right-of-use assets, and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

IMPAIRMENT ON TANGIBLE AND INTANGIBLE ASSETS OTHER THAN GOODWILL *(continued)*

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require the delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

FINANCIAL INSTRUMENTS *(continued)*

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

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

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) *Amortised cost and interest income*

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments subsequently measured at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

FINANCIAL INSTRUMENTS *(continued)*

Financial assets *(continued)*

Classification and subsequent measurement of financial assets (continued)

(ii) *Equity instruments designated as at FVTOCI*

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on the disposal of the equity investments, and will be transferred to accumulated losses.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "Other revenue and income" line item in profit or loss.

(iii) *Financial assets at FVTPL*

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "Other revenue and income" line item.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including bank balance and cash and trade and other receivables) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on trade receivables are assessed individually for debtors with significant balances and/or collectively with internal credit ratings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

FINANCIAL INSTRUMENTS *(continued)*

Financial assets *(continued)*

Impairment of financial assets (continued)

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, for example, a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

FINANCIAL INSTRUMENTS *(continued)*

Financial assets *(continued)*

Impairment of financial assets (continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

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

a) significant financial difficulty of the issuer or the borrower;

b) a breach of contract, such as a default or past due event;

c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 2 years past due, whichever occurs sooner. Financial assets write-off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default, that is the magnitude of the loss if there is a default, and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expendient in estimation ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience, adjusted for forward looking information that is available without undue cost or effort.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

FINANCIAL INSTRUMENTS *(continued)*

Financial assets *(continued)*

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to accumulated losses.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Perpetual instruments, which include no contractual obligation for the Group to deliver cash or other financial assets or the Group has the sole discretion to defer payment of distribution and redemption of principal amount indefinitely are classified as equity instruments.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

FINANCIAL INSTRUMENTS *(continued)*

Financial liabilities and equity *(continued)*

Derecognition of financial liabilities (continued)

When the contractual terms of a financial liability are modified, the Group assess whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 per cent.

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

RELATED PARTIES

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

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

(b) An entity is related to the Group if any of the following conditions applies:

- (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) both entities are joint ventures of the same third party.
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) the entity is controlled or jointly controlled by a person identified in (a).
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) the entity, or any member of a group of which it is a part, provides key management personal services to the Group or to the Group's parent.

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

GOVERNMENT GRANTS

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income or a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Government grants relating to compensation of expenses are deducted from the related expenses, other government grants are presented under "other revenue and income".

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents represent cash at bank and on hand which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value, having been within three months of maturity at acquisition.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Loss allowance of ECL

The Group's management estimates the loss allowance for trade and other receivables by using various inputs and assumptions including risk of a default and expected loss rate. The estimation involves high degree of uncertainty which is based on the Group's historical information, existing market conditions as well as forward-looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and other receivables. Details of the key assumption and inputs used in estimating ECL are set out in note 35 to the consolidated financial statements.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for property, plant and equipment, right-of-use assets at the end of each reporting period in accordance with the accounting policies as disclosed above. In determining whether these assets are impaired or the event previously causing the impairment no longer exists, the directors have to assess whether an event has occurred that may affect the assets value or such event affecting the assets value has not been in existence. If any such indication exists, the recoverable amounts of these assets would be determined by reference to value in use and fair value less costs of disposal. In determining the recoverable amounts of these assets, expected cash flows to be generated by the assets are discounted to their present value, which involves significant levels of estimates relating to sales volume, selling prices and other operating costs. When a decline in an asset's recoverable amount has occurred, the carrying amount is reduced to its estimated recoverable amount.

Impairment of investments and receivables

The Group assesses annually if investments in subsidiaries/associates have suffered any impairment in accordance with HKAS 36 and follows the guidance of HKFRS 9 in determining whether amounts due from these entities are impaired. Details of the approach are stated in the respective accounting policies. The assessment requires an estimation of future cash flows, including expected dividends, from the assets and the selection of appropriate discount rates. Future changes in financial performance and position of these entities would affect the estimation of impairment loss and cause the adjustments of their carrying amounts.

Discount rates for calculating lease liabilities as lessee

The Group uses the lessee's incremental borrowing rates to discount future lease payments since interest rates implicit in the leases are not readily determinable. In determining the discounts rates for its leases, the Group refers to a rate that is readily observable as the starting point and then applies judgement and adjusts such observable rate to determine the incremental borrowing rate.

Depreciation

The Group depreciates the property, plant and equipment and right-of-use assets with a finite useful life over their estimated useful life and after taking into account of their estimated residual values, using the straight-line method. The estimated useful life reflects the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment and right-of-use assets with a finite useful life. The residual values reflect the directors' estimated amount that the Group would currently obtain from the disposal of the assets, after deducting the estimated costs of disposal, if the assets were already of the age and in the condition expected at the end of their useful lives.

Income taxes

The Group is subject to income taxes in a number of jurisdictions. Significant judgement is required in determining the provision for income taxes in various jurisdictions. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred tax

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

5. REVENUE

	2020 HK$'000	2019 HK$'000
Revenue from contracts with customers within HKFRS 15		
Telecommunication services income	**72,376**	75,054
Financial payment processing solution and software Development income	**–**	4,156
	72,376	79,210

The revenue from contracts with customers within HKFRS 15 is disaggregated as follows.

	Telecommunication services		Financial payment processing processing solution and software development services and distribution business		Total	
	2020 HK$'000	2019 HK$'000	**2020 HK$'000**	2019 HK$'000	**2020 HK$'000**	2019 HK$'000
Geographical region:						
– Hong Kong	**23,023**	29,201	**–**	–	**23,023**	29,201
– The PRC	**–**	–	**–**	4,156	**–**	4,156
– Singapore	**49,353**	45,853	**–**	–	**49,353**	45,853
	72,376	75,054	**–**	4,156	**72,376**	79,210
Timing of revenue recognition:						
– at a point in time	**61,807**	65,330	**–**	–	**61,807**	65,330
– over time	**10,569**	9,724	**–**	4,156	**10,569**	13,880
	72,376	75,054	**–**	4,156	**72,376**	79,210

6. SEGMENT INFORMATION

The Group's management, who are the chief operating decision makers, determine the operating segments for the purposes of resource allocation and performance assessment. The business segments of the Group comprise telecommunication services, financial payment processing solution and software development services and distribution business through e-commerce platform and property development and tourism. Segment results represent the results before taxation earned by each segment without allocation of central operating and administrative expenses. All assets are allocated to reportable segments other than unallocated assets which are mainly Designated FVTOCI, financial assets at FVTPL and bank balances and cash. All liabilities are allocated to reportable segments other than corporate liabilities.

Analyses of the Group's segmental information by business and geographical segments during the year are set out below.

(A) BY BUSINESS SEGMENTS

Segment results

	Telecom-munication services		Financial payment processing solution and software development services and distribution business		Property development and tourism		Total	
	2020 HK$'000	2019 HK$'000	**2020 HK$'000**	2019 HK$'000	**2020 HK$'000**	2019 HK$'000	**2020 HK$'000**	2019 HK$'000
Revenue								
External sales	**72,376**	75,054	**–**	4,156	**–**	–	**72,376**	79,210
Results								
Segment results	**(1,086)**	(5,347)	**225**	(70,389)	**(4)**	(22)	**(865)**	(75,758)
Finance costs	**(3)**	(34)	**–**	–	**–**	–	**(3)**	(34)
	(1,089)	(5,381)	**225**	(70,389)	**(4)**	(22)	**(868)**	(75,792)
Unallocated other operating income and expenses							**17,649**	(158,323)
Profit (loss) before taxation							**16,781**	(234,115)

6. SEGMENT INFORMATION *(continued)*

(A) BY BUSINESS SEGMENTS *(continued)*

Segment assets and liabilities

	Telecom-munication services		Financial payment processing solution and software development services and distribution business		Property development and tourism		Total	
	2020 HK$'000	2019 HK$'000	**2020 HK$'000**	2019 HK$'000	**2020 HK$'000**	2019 HK$'000	**2020 HK$'000**	2019 HK$'000
Assets								
Assets before following items:	**15,943**	11,000	**484**	365	**–**	108	**16,427**	11,473
Interests in associates	**–**	–	**–**	–	**–**	56,079	**–**	56,079
Segment assets	**15,943**	11,000	**484**	365	**–**	56,187	**16,427**	67,552
Assets classified as disposal group held for sale							**59,188**	–
Unallocated assets							**33,137**	12,959
Consolidated total assets							**108,752**	80,511
Liabilities								
Segment liabilities	**(12,862)**	(10,872)	**(1,033)**	(1,211)	**–**	(188)	**(13,895)**	(12,271)
Liabilities classified as disposal group held for sale							**(166)**	–
Unallocated liabilities							**(73,194)**	(66,341)
Consolidated total liabilities							**(87,255)**	(78,612)

6. SEGMENT INFORMATION *(continued)*

(A) BY BUSINESS SEGMENTS *(continued)*

Other segment information

	Telecom-munication services		Financial payment processing solution and software development services and distribution business		Property development and tourism		Unallocated		Total	
	2020 HK$'000	2019 HK$'000	**2020 HK$'000**	2019 HK$'000	**2020 HK$'000**	2019 HK$'000	**2020 HK$'000**	2019 HK$'000	**2020 HK$'000**	2019 HK$'000
Capital expenditure	**86**	94	**–**	–	**–**	–	**142**	1	**228**	95
Bank interest income	**9**	9	**–**	–	**–**	–	**9**	132	**18**	141
Amortisation and depreciation	**–**	(568)	**–**	(14,942)	**–**	–	**(366)**	(3,307)	**(366)**	(18,817)
Loss allowances on										
– Trade receivables	**(515)**	(513)	**–**	(4,271)	**–**	–	**–**	–	**(515)**	(4,784)
– Other receivables	**(1,482)**	(1,175)	**(155)**	(22,626)	**–**	–	**(1,645)**	(7,548)	**(3,282)**	(31,349)
Impairment losses on property, plants and equipment	**(86)**	(94)	**–**	–	**–**	–	**–**	–	**(86)**	(94)
Impairment losses on right-of-use assets	**–**	(238)	**–**	–	**–**	–	**(1,632)**	(2,279)	**(1,632)**	(2,517)
Impairment losses on intangible assets	**–**	–	**–**	(32,393)	**–**	–	**–**	–	**–**	(32,393)
Impairment loss on goodwill	**–**	–	**–**	(7,341)	**–**	–	**–**	–	**–**	(7,341)
Net realised loss on financial assets at FVTPL	**–**	–	**–**	–	**–**	–	**–**	(60,593)	**–**	(60,593)
Net unrealised losses on financial assets at FVTPL	**–**	–	**–**	–	**–**	–	**(552)**	(54,523)	**(552)**	(54,523)
Gain on disposal of property, plants and equipment	**12**	5	**–**	–	**–**	–	**–**	227	**12**	232
Gain on disposal of interests in associates	**–**	–	**–**	–	**–**	–	**–**	195	**–**	195
Lease expenses on short-term lease	**(88)**	–	**–**	(38)	**–**	–	**(662)**	(866)	**(750)**	(904)

6. SEGMENT INFORMATION *(continued)*

(B) BY GEOGRAPHICAL INFORMATION

The Group's operations are principally located in Hong Kong, Singapore and the PRC. The following table provides an analysis of the Group's revenue from external customers by geographical market in which the operations are located:

	2020 **HK$'000**	2019 HK$'000
Hong Kong	**23,023**	29,201
The PRC	**–**	4,156
Singapore	**49,353**	45,853
	72,376	79,210

The following is an analysis of the carrying amounts of non-current assets (excluding financial instruments) by geographical area in which the assets are located:

	2020 **HK$'000**	2019 HK$'000
Hong Kong	**154**	202

(C) INFORMATION ABOUT MAJOR CUSTOMERS

Revenue from external customers contributing 10% or more of the revenue from the telecommunication services segment is as follows.

	2020 **HK$'000**	2019 HK$'000
Customer A	**20,143**	26,591
Customer B	**–**	9,077
Customer C	**8,266**	–
Customer D	**8,122**	–

7. OTHER REVENUE AND INCOME

	Notes	**2020 HK$'000**	2019 HK$'000
Interest income from bank		**18**	141
Interest income arising from financial assets at FVTPL		**–**	20
Income from office sharing		**–**	699
Write back of other payables		**1,014**	–
Forfeited deposit	*(a)*	**2,825**	–
Government subsidies	*(b)*	**1,317**	–
Compensation entitled	*(c)*	**37,172**	–
Other		**1,042**	901
		43,388	1,761

Notes:

(a) *On 20 November 2020, the Company and the former purchaser of the subsidiary of the Company entered into a termination deed and agreed that the sale and purchase agreement was terminated, and the Company was entitled to forfeit the deposit paid by the former purchaser of amount RMB2,500,000 (approximately to HK$2,825,000) due to the default of the former purchaser. Please refer to the announcement published by the Company on 20 November 2020 for further details.*

(b) *During the current year, the government subsidies were granted in respect of Employment Support Scheme under the Anti-epidemic Fund of the Government of Hong Kong Special Administrative Region of HK$554,000, and in respect of the Jobs Support Scheme provided by the Government of Singapore of HK$763,000.*

(c) *A wholly owned subsidiary of the Company claimed for the losses against the vendor of Diamond Frontier Investments Limited by the issuance of claim notice in the sum of approximately RMB31,578,000 (equivalent to approximately HK$37,172,000) during the year. The Directors obtained a legal opinion that since the vendor did not response to the claim notice within the prescribed timeframe, then vendor is deemed to have agreed with the claimed amount as stated in the claim notice (the "Deemed Agreed Claim Amount") and the remaining balance of consideration payable by the Group for the purchase of Diamond Frontier Investments Limited recorded in other payable is entitled to offset the Deemed Agreed Claim Amount. Please refer to the announcement published by the Company on 12 June 2020 for further detail.*

8. PROFIT (LOSS) BEFORE TAXATION

Profit (loss) before taxation is stated after charging the following:

		2020 HK$'000	2019 HK$'000
(a)	**Finance costs**		
	Interest expenses on lease liabilities	**35**	119
	Interest expenses on loan from a director	**157**	–
		192	119
(b)	**Other items**		
	Employee salaries and other benefits (including directors' emoluments)	**13,717**	17,768
	Retirement benefit scheme contributions	**652**	1,048
	Total staff costs	**14,369**	18,816
	Auditor's remuneration	**1,323**	2,065
	Cost of services provided	**66,623**	65,719
	Depreciation of		
	property, plant and equipment	**190**	573
	right-of-use assets	**176**	3,302
	Amortisation of intangible assets (included in other operating expenses)	**–**	14,942
	Lease expenses on short-term leases	**750**	904
	Exchange loss, net	**150**	11

9. TAXATION

Hong Kong Profits Tax has not been provided as the Hong Kong subsidiaries of the Group has sufficient tax losses brought forward to set off against current year's assessable profit and had no estimated assessable profits during the year ended 31 December 2019.

Overseas (including the PRC and Singapore) taxation represents income tax provisions in respect of certain subsidiaries, calculated at the tax rates prevailing in the countries in which the subsidiaries operate.

	2020 **HK$'000**	2019 HK$'000
Current tax		
Overseas income taxes		
Current year	**–**	(722)
Over provision in prior year	**103**	–
	103	(722)
Deferred tax:		
Reversal of temporary differences		
Depreciation allowances	**–**	9,665
Total income tax credit	**103**	8,943

Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

The Company's wholly-owned subsidiary in Singapore is subject to Corporate Income Tax at a rate of 17% (2019: 17%).

The subsidiary in the PRC is subject to PRC Enterprise Income Tax rate of 25% (2019: 25%).

9. TAXATION *(continued)*

The tax charge for the year can be reconciled to the profit (loss) before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2020 **HK$'000**	2019 HK$'000
Profit (loss) before taxation	**16,781**	(234,115)
Notional tax on profit (loss) before tax, calculated at the rates applicable in the jurisdictions concerned	**2,785**	(44,416)
Tax effect of expenses not deductible for tax purpose	**4,041**	25,466
Tax effect of income not taxable for tax purpose	**(6,856)**	(7,098)
(Over) under-provision in respect of prior year	**(103)**	135
Utilisation of tax losses previously not recognised	**(89)**	–
Tax effect of tax losses not recognised as deferred tax asset	**119**	13,344
Tax effect of unrecognised temporary differences	**–**	3,626
Income tax credit for the year	**(103)**	(8,943)

At the end of the reporting period, the Group has unused tax losses of HK$284,209,000 (2019: HK$268,478,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profit streams.

Neither the tax losses nor the deductible temporary differences expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group can utilise the benefits therefrom.

10. DIVIDENDS

The Board of Directors does not recommend the payment of a dividend for the years ended 31 December 2020 and 2019.

11. DIRECTORS' AND SENIOR EXECUTIVES' REMUNERATION

(A) INFORMATION ABOUT THE BENEFITS OF DIRECTORS

(i) Directors' remuneration

The aggregate amounts of remuneration received and receivable by the Company's directors disclosed pursuant to the Listing Rules and the disclosure requirements of the HKCO are as follows:

For the year ended 31 December 2020

	Director fees HK$'000	Salaries and other emoluments HK$'000	Discretionary bonus HK$'000	Retirement benefit scheme contribution HK$'000	Total HK$'000
Executive directors					
Cheung Siu Fai *(Note a)*	–	207	–	10	217
Zhao Ruiyong	–	240	–	–	240
Li Bing *(Note b)*	–	206	–	–	206
Cheung Ka Heng Frankie	–	240	–	12	252
Independent non-executive directors					
Fong Wai Ho *(Note c)*	103	–	–	–	103
Leung Wai Kei *(Note d)*	103	–	–	–	103
Lam Chik Shun Marcus *(Note e)*	103	–	–	–	103
Zhao Guangming *(Note f)*	80	–	–	–	80
Huang Tao	120	–	–	–	120
Total remuneration	**509**	**893**	**–**	**22**	**1,424**

For the year ended 31 December 2019

	Director fees HK$'000	Salaries and other emoluments HK$'000	Discretionary bonus HK$'000	Retirement benefit scheme contribution HK$'000	Total HK$'000
Executive directors					
Zhao Ruiyong	–	240	–	–	240
Li Bing	–	240	–	–	240
Cheung Ka Heng Frankie	–	240	–	12	252
Chan Chi Yuen *(Note g)*	–	958	–	15	973
Independent non-executive directors					
Fung Wai Shing *(Note h)*	175	–	–	–	175
Zhao Guangming	120	–	–	–	120
Huang Tao	120	–	–	–	120
Total remuneration	415	1,678	–	27	2,120

11. DIRECTORS' AND SENIOR EXECUTIVES' REMUNERATION *(continued)*

(A) INFORMATION ABOUT THE BENEFITS OF DIRECTORS *(continued)*

(i) Directors' remuneration *(continued)*

Notes:

(a) Cheung Siu Fai was appointed as executive director on 20 February 2020.

(b) Li Bing resigned as executive director and chief executive officer on 9 November 2020.

(c) Fong Wai Ho was appointed as independent non-executive director on 20 February 2020.

(d) Leung Wai Kei was appointed as independent non-executive director on 20 February 2020.

(e) Lam Chik Shun Marcus was appointed as independent non-executive director on 20 February 2020.

(f) Zhao Guangming resigned as independent non-executive director on 31 August 2020.

(g) Chan Chi Yuen resigned as executive director on 18 October 2019.

(h) Fung Wai Shing resigned as independent non-executive director on 20 December 2019.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year (2019:HK$nil). In addition, no emoluments were paid by the Group to any of the directors as an inducement to join, or upon joining the Group or as a compensation for loss of office for the year (2019:HK$nil).

(ii) Loans, quasi-loans and other dealings in favour of directors

There are no loans, quasi-loans or other dealings in favour of the directors of the Company, body corporate controlled by such directors or entities connected with such directors that were entered into or subsisted during the years ended 31 December 2020 and 2019.

(iii) Directors' material interests in transactions, arrangements or contracts

After consideration, the directors are of the opinion that no transactions, arrangements and contracts of significance in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest whether directly or indirectly, subsisted at the end of the year or at any time during the years ended 31 December 2020 and 2019.

11. DIRECTORS' AND SENIOR EXECUTIVES' REMUNERATION *(continued)*

(B) INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, there was no director (2019: one) whose emolument is disclosed above. The aggregate of the emoluments in respect of the remaining five (2019: four) highest paid individuals, who are not directors, are as follows:

	2020 HK$'000	2019 HK$'000
Salaries and other emoluments	**7,432**	6,704
Retirement benefit scheme contributions	**251**	240
	7,683	6,944

The emoluments of the five (2019: four) individuals with the highest emoluments are within the following bands:

	2020 No. of individuals	2019 No. of individuals
Below HK$1,000,000	**2**	1
HK$1,000,001 to HK$1,500,000	**1**	1
HK$1,500,001 to HK$2,000,000	**–**	–
HK$2,000,001 to HK$2,500,000	**1**	1
HK$2,500,001 to HK$3,000,000	**1**	1
	5	4

During the year, no remuneration was paid by the Group to any of the five (2019: four) highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office (2019: HK$nil). There were no arrangements under which any of the five (2019: four) highest paid individuals waived or agreed to waive any remuneration during the year (2019: HK$nil).

12. EARNINGS (LOSS) PER SHARE

The calculation of the earnings (loss) per share for the year is based on the consolidated profit attributable to owners of the Company of approximately HK$16,851,000 (2019: loss attributable to owners of the Company of approximately HK$219,027,000) and the number of 1,050,280,000 (2019: 1,050,280,000) ordinary shares in issue during the year.

The Group has no dilutive potential ordinary shares in issue during the current and prior year and, therefore, the diluted earnings (loss) per share is the same as basic earnings (loss) per share for the years presented.

13. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK$'000	Equipment HK$'000	Office equipment, furniture and fittings HK$'000	Motor vehicles HK$'000	Total HK$'000
Cost					
At 1 January 2019	88	6,609	21,486	2,368	30,551
Additions	–	–	95	–	95
Disposal	–	–	(6)	(2,368)	(2,374)
Write-off	–	–	(186)	–	(186)
Exchange adjustments	–	70	206	–	276
At 31 December 2019 and 1 January 2020	88	6,679	21,595	–	28,362
Additions	142	–	86	–	228
Disposal	–	–	(388)	–	(388)
Write-off	(88)	–	(914)	–	(1,002)
Exchange adjustments	–	92	277	–	369
At 31 December 2020	**142**	**6,771**	**20,656**	**–**	**27,569**
Depreciation and impairment					
At 1 January 2019	33	6,609	21,107	1,539	29,288
Depreciation	29	–	189	355	573
Impairment	–	–	94	–	94
Disposal	–	–	(6)	(1,894)	(1,900)
Write-off	–	–	(170)	–	(170)
Exchange adjustments	–	70	205	–	275
At 31 December 2019 and 1 January 2020	62	6,679	21,419	–	28,160
Depreciation	42	–	148	–	190
Impairment	–	–	86	–	86
Disposal	–	–	(388)	–	(388)
Write-off	(88)	–	(914)	–	(1,002)
Exchange adjustments	–	92	277	–	369
At 31 December 2020	**16**	**6,771**	**20,628**	**–**	**27,415**
Carrying amount					
At 31 December 2020	**126**	**–**	**28**	**–**	**154**
At 31 December 2019	26	–	176	–	202

13. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Because the telecommunication business in Singapore incurred losses in consecutive years, the office equipment, furniture and fittings associated with this business unit were tested for impairment. As the residual values of these office equipment, furniture and fittings were estimated to be nil, the carrying values of those assets were fully impaired. An impairment loss of approximately HK$86,000 (2019: HK$94,000) was recognised in profit or loss during the year.

The above items of property, plant and equipment, after taking into account the residual values, are depreciated on a straight-line basis at the following rates per annum:

Leasehold improvement	Over the remaining lease terms
Equipment	20% – 33%
Office equipment, furniture and fittings	20% – 33%
Motor vehicles	20% – 33%

14. RIGHT-OF-USE ASSETS

	Office premises HK$'000
At 31 December 2020	
Carrying amount	–
At 31 December 2019	
Carrying amount	–
For the year ended 31 December 2020	
Depreciation charge	176
For the year ended 31 December 2019	
Depreciation charge	3,302

	2020 **HK$'000**	2019 HK$'000
Expenses relating to short-term leases	**750**	904
Total cash outflow for leases	**3,999**	3,840
Additions to right-of-use assets	**1,808**	5,815

The Group leases various office premises for its daily operations with lease terms with ranging from two to three years with an option to renew the lease when all terms are renegotiated. The interest expenses on lease liabilities are set out in note 8 to the consolidated financial statements.

14. RIGHT-OF-USE ASSETS *(continued)*

LEASING ARRANGEMENTS – AS LESSEE

At the end of the reporting period, no office premises before impairment losses (2019: HK$2,517,000) are held under leases with the remaining lease term of less than 1 year with an option to renew the lease when all terms are renegotiated.

In light of the continuing operating loss of the Group, the directors have carried out an assessment on the recoverable amount of the corporate assets and an impairment loss of HK$1,632,000 (2019: HK$2,517,000) was recognised during the year ended 31 December 2020 because its recoverable amount is lower than its carrying amount.

RESTRICTION OR COVENANTS

In addition, lease liabilities of HK$1,808,000 are recognised with related right-of-use assets of HK$nil (net of accumulated depreciation and accumulated impairment losses of HK$1,808,000) as at 31 December 2020. The lease arrangements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

15. INTANGIBLE ASSETS

	Development costs HK$'000	Software HK$'000	Customer relationships HK$'000	Technical know-how HK$'000	Total HK$'000
Cost					
At 1 January 2019	3,597	12,658	55,469	16,998	88,722
Exchange adjustment	–	(222)	(973)	(298)	(1,493)
At 31 December 2019 and 1 January 2020	3,597	12,436	54,496	16,700	87,229
Exchange adjustment	–	666	2,919	895	4,480
At 31 December 2020	3,597	13,102	57,415	17,595	91,709
Amortisation and impairment					
At 1 January 2019	3,597	3,548	27,735	6,071	40,951
Amortisation	–	1,420	11,094	2,428	14,942
Impairment losses	–	7,689	16,349	8,355	32,393
Exchange adjustment	–	(221)	(682)	(154)	(1,057)
At 31 December 2019 and 1 January 2020	3,597	12,436	54,496	16,700	87,229
Exchange adjustment	–	666	2,919	895	4,480
At 31 December 2020	**3,597**	**13,102**	**57,415**	**17,595**	**91,709**
Carrying amount					
At 31 December 2020	**–**	**–**	**–**	**–**	**–**
At 31 December 2019	–	–	–	–	–

16. GOODWILL

	2020 HK$'000	2019 HK$'000
Cost		
Balance at beginning and end of the year	**33,464**	33,464
Accumulated impairment losses		
Balance at beginning of the year	**33,464**	26,123
Impairment loss recognised for the year	**–**	7,341
Balance at end of the year	**33,464**	33,464
Carrying amount		
Balance at end of the year	**–**	–

17. INTEREST IN ASSOCIATES

	2020 HK$'000	2019 HK$'000
Share of net assets	**–**	56,079

Details of associates at the end of the reporting period are as follows:

Name of associate	**Principal place of business/ incorporation**	**Particular of issued share capital/ registered capital**	**Proportion of value of registered and paid-up capital indirectly held by the Company**		**Principal activities**
			2020	2019	
Wusu Silk Road Small Town Cultural Tourism Company Limited* (烏蘇絲路小鎮文旅有限公司) ("Wusu Company") *(Note (a))*	The PRC	RMB200,000,000 Registered capital	**25%**	25%	Development and operation of the characteristic town, real estate and cultural tourism
Yibin Xianyuan Lake Small Towns Cultural Tourism Company Limited* (宜賓仙源湖小鎮文旅有限公司) ("Yibin Company") *(Note (b))*	The PRC	RMB200,000,000 Registered capital	**35%**	35%	Development and operation of the characteristic town, real estate and cultural tourism
AsiaCloud (HK) Limited ("AsiaCloud")	Hong Kong	100,000 ordinary share of HK$100,000	**20%**	20%	Provision of telecommunication services

* *For identification purpose only*

17. INTEREST IN ASSOCIATES *(continued)*

Notes:

(a) Wusu Company

The principal activities of Wusu Company are development and operation of the characteristic town, real estate and cultural tourism in Wusu (the "Wusu City Project"). In February 2018, Wusu Company entered into a construction contract with a third-party constructor to carry out the construction work of the characteristic cultural town, a deposit of RMB50,000,000 has been paid to the constructor in 2018 and recognised as prepayment as at 31 December 2019 and 2020.

As at 31 December 2020, the Group was in the process of disposing 100% issued share capital of B&R Investment Holding Limited with interest in associate of Wusu Company and accordingly, the interest in the associate of Wusu Company has been reclassified as assets and liabilities classified as disposal group held for sale. Details are disclosed in note 26 to the consolidated financial statements.

(b) Yibin Company

The principal activities of Yibin Company would be development and operation of the characteristic town, real estate and cultural tourism in Yibin City. As at 31 December 2019 and 2020, Yibin Company remained inactive since its incorporation.

As at 31 December 2020, the Group was in the process of disposing 100% issued share capital of B&R Investment Holding Limited with interest in associate of Yibin Company and accordingly, the interest in the associate of Yibin Company has been reclassified as assets and liabilities classified as disposal group held for sale. Details are disclosed in note 26 to the consolidated financial statements.

As the Group's interest in the associate has been classified as held for sale as at 31 December 2020, the Group is not required to disclose summarised financial information for the associate after classification as asset held for sale.

UNRECOGNISED SHARE OF LOSSES OF ASSOCIATES

The Group's share of losses of AsiaCloud exceeds its investment cost. As at 31 December 2020 and 2019, share of net liabilities of AsiaCloud was limited to zero. The unrecognised share of losses of AsiaCloud for the current year and cumulatively up to the end of the reporting period amounted to HK$1,304,000 (2019: HK$nil) and HK$1,612,000 (2019: HK$308,000) respectively.

18. SUBSIDIARIES

Name of subsidiary	Place of incorporation/ operation	Particulars of issued share capital/registered capital	Effective ownership interest held by the Company				Principal activities
			Directly		*Indirectly*		
			2020	2019	**2020**	2019	
Zone Telecom Pte Ltd (*Note (i)*)	Singapore	Singapore dollars ("S$") 100,000	**–**	–	**100%**	100%	Provision of telecommunication services
Zone Resources Limited	The British Virgin Islands/HongKong	US$100,000	**–**	–	**100%**	100%	Asset holding
Zone Enterprises Limited	Hong Kong	HK$1	**–**	–	**100%**	100%	Provision of consultancy services
Zone Limited	Hong Kong	HK$2	**–**	–	**100%**	100%	Provision of telecommunication services
Zone Asia Holding Limited	The British Virgin Islands/HongKong	US$1	**–**	–	**100%**	100%	Investment holding
Stage Charm Limited	The British Virgin Islands/HongKong	US$1	**100%**	100%	**–**	–	Investment holding
e-Kong Pillars Holding Limited	The British Virgin Islands/HongKong	US$1	**100%**	100%	**–**	–	Investment holding
China Portal Limited	The British Virgin Islands/HongKong	US$1	**–**	–	**100%**	100%	Provision of consultancy services
B&R Management Limited	Hong Kong	HK$1,000	**100%**	100%	**–**	–	Provision of consultancy services
B&R Investment Holding Limited	Hong Kong	HK$1,000	**100%**	100%	**–**	–	Investment holding
杭州蘇頌科技有限公司 (Hangzhou Susong Technology Company Limited*) ("Hangzhou Susong") (*Notes (i) & (ii)*)	The PRC	RMB2,000,000 Registered capital	**–**	–	**90%**	90%	Provision of financial payment processing solution and software development services and distribution business through e-commerce platform

Notes:

(i) Statutory audited financial statements not audited by Confucius International CPA Limited.

(ii) A limited liability enterprise established in the PRC registered as sino-foreign equity joint venture under PRC laws.

* *For identification purpose only*

The above summary includes those subsidiaries which, in the opinion of the Company's directors, principally affect the results or form a substantial portion of the net assets of the Group. The classes of shares held are ordinary shares unless otherwise stated. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length. None of the subsidiaries had any debt securities in issue at any time during the years ended 31 December 2020 and 2019.

18. SUBSIDIARIES *(continued)*

FINANCIAL INFORMATION OF SUBSIDIARIES WITH INDIVIDUALLY MATERIAL NCI

The following table shows the information relating to the non-wholly owned subsidiary that has material non-controlling interests ("NCI"). The summarised financial information represents amounts before inter-company eliminations.

	Hangzhou Susong	
	2020	2019
At 31 December		
Proportion of NCI's ownership interests	**10%**	10%
	HK$'000	HK$'000
Current assets	**483**	365
Current liabilities	**(32,968)**	(31,522)
Net liabilities	**(32,485)**	(31,157)
Carrying amount of NCI	**(3,249)**	(3,116)
Year ended 31 December		
Revenue	**–**	4,156
Other income	**501**	500
Expenses	**(173)**	(66,102)
Profit (loss) for the year	**328**	(61,446)
Other comprehensive (expense) income for the year	**(1,655)**	120
Total comprehensive expense for the year	**(1,327)**	(61,326)
Attributable to NCI:		
Profit (loss) for the year	**33**	(6,145)
Other comprehensive (expense) income for the year	**(166)**	12
Total comprehensive expense for the year	**(133)**	(6,133)
Dividend to NCI	**–**	–
Net cash inflow (outflow) in		
– operating activities	**27**	(3,328)
– financing activities	**–**	2,078
Net increase (decrease) in cash and cash equivalents	**27**	(1,250)

19. DESIGNATED FVTOCI

	2020 HK$'000	2019 HK$'000
Designated FVTOCI		
Unlisted equity securities, at fair value	**2,123**	2,384

Designated FVTOCI with carrying amount of HK$2,037,000 (2019: HK$2,298,000) represents 0.2% (2019: 0.2%) equity interest in Thunder Power Holdings Limited, a company incorporated in the British Virgin Islands, which is engaged in the development of battery-powered electric vehicles in Italy, the PRC and Hong Kong.

Designated FVTOCI with carrying amount of HK$86,000 (2019: HK$86,000) represents 15% equity interest in Zero1 Pte Limited, a company incorporated in Singapore, which is engaged in the provision of telecommunication services.

No investments in Designated FVTOCI have been disposed of during the year. There was no transfers of any cumulative gains or losses arising from Designated FVTOCI within equity during the year.

20. FINANCIAL ASSETS AT FVTPL

	Note	**2020 HK$'000**	2019 HK$'000
Held for trading			
Equity investments listed in Hong Kong	*(a)*	**896**	1,448
Unlisted investment fund		**–**	123
		896	1,571

At the end of the reporting period, the carrying amounts of financial assets designated as FVTPL represent the maximum exposure to credit risk of those financial assets, if applicable.

Note:

a) The fair values of the listed investments are determined on the basis of quoted market price at the end of the reporting period. The equity investments listed in Hong Kong at fair value of HK$705,000 (2019: HK$493,000) as at 31 December 2020 are held by Mr. Yeung Chun Wai Anthony ("Mr. Yeung") on behalf of the Group at the end of the reporting period, details of which are set out in note 24(c) to the consolidated financial statements.

21. TRADE AND OTHER RECEIVABLES

	Notes	**2020 HK$'000**	2019 HK$'000
Trade receivables		**19,770**	15,559
Loss allowances on trade receivables	*35(c)*	**(9,229)**	(9,332)
	(a)	**10,541**	6,227
Other receivables			
Deposits		**770**	2,263
Prepayments		**661**	376
Other debtors	*(b)*	**20,513**	21,721
Due from securities broker		**11**	3
Due from associate	*(c)*	**2,657**	1,350
Loan receivable from a non-controlling interest of a subsidiary	*(d)*	**12,622**	11,825
		37,234	37,538
Loss allowances on other debtors and due from an associate and a non-controlling interest of a subsidiary	*35(c)*	**(35,432)**	(30,952)
		1,802	6,586
Total trade and other receivables		**12,343**	12,813

Notes:

(a) *Information about the Group's exposure to credit risks and loss allowance for trade and other receivables is included in note 35(c) to the consolidated financial statements.*

Loss allowances on trade receivables of approximately HK$515,000 (2019:HK$4,784,000) were recognised during the year.

(b) *Included in other debtors as at 31 December 2020 was a receivable of HK$10,960,000 (31 December 2019: HK$10,404,000) due from debtors of PRC subsidiary. In year of 2019, the PRC subsidiary of the Group had made several payments to 6 individuals and entities (the "Payments to Debtors") in aggregate of RMB4,544,000 (equivalent to HK$5,362,000) (31 December 2019: RMB4,544,000 (equivalent to HK$5,090,000)) for the purpose of relationship building with those individuals and entities for business referral. The Payments to Debtors and other debtors brought forward from prior year with carrying amounts RMB4,744,000 (equivalent to HK$5,598,000) (31 December 2019: RMB4,744,000 (equivalent to HK$5,314,000)), in aggregate of RMB9,288,000 ((equivalent to HK$10,960,000) (31 December 2019: RMB9,288,000 (equivalent to HK$10,404,000)) were provided full loss allowance in 2019 after the management has considered the financial position of these debtors may have been deteriorated and that the recoverability of these receivables is in doubt. In 2020, the financial positions of these debtors have not improved and since the full loss allowance has been made in 2019, the Group therefore has not made further loss allowances on those receivables during the year.*

Included in other debtors as at 31 December 2020 was a receivable of HK$4,889,000 (31 December 2019: HK$5,049,000) in relation to a management fee income due from a public company, in which the Company's former director, Mr. Yeung has beneficial interest. In view of deterioration in the financial position of the debtor and the result of negotiation, the management considers the recoverability of the amounts due is in doubt. Therefore, full loss allowances of approximately HK$4,889,000 has been made, where HK$1,645,000 was made during the year (31 December 2019: HK$3,244,000).

21. TRADE AND OTHER RECEIVABLES *(continued)*

Notes: (continued)

(b) (continued)

Included in other debtors as at 31 December 2020 was a receivable of HK$4,304,000 (31 December 2019: HK$4,304,000) due from a third party which was arising from the proceeds from the disposal of financial assets at fair value through profit or loss in 2017. In view of the prolonged outstanding and lost contact with the debtor, the management considers that the recoverability of these receivables is in doubt. Full loss allowances of HK$4,304,000 have been made as at 31 December 2019, therefore no further allowance is made during the year.

(c) As at 31 December 2020, total amount due from an associate of HK$2,657,000 (31 December 2019: HK$1,350,000) of which HK$1,000,000 (31 December 2019: HK$1,000,000) was the consideration receivable from the disposal of assets of a business unit in 2017 and advance to the associate of HK$1,657,000 (31 December 2019: HK$350,000) was unsecured, interest-free and repayable on demand. In 2019, the business of the associate was closed due to unsatisfactory performance. In view of the financial position of the associate has been deteriorated, the management considers that the recoverability of these receivables of HK$2,657,000 was in doubt. Therefore, full loss allowances of approximately HK$2,657,000 has been made, where HK$1,482,000 was made during the year (31 December 2019: HK$1,175,000).

(d) As at 31 December 2020, loan and interest receivable of RMB10,697,000 (equivalent to HK$12,622,000) (31 December 2019: RMB10,558,000 (equivalent to HK$11,825,000)) from Mr. Song Xiaodong, a non-controlling interest of a subsidiary is unsecured, interest bearing at the fixed rate of 4.35% per annum and repayable in December 2020 (31 December 2019: unsecured, interest bearing at the fixed rate of 4.35% per annum and repayable in December 2020). In view of the default of repayment of principal and interest of the loan, prolonged outstanding without settlement, the management considers it is probable that the recoverability of the loan receivable was in doubt. Therefore, loss allowances of RMB10,697,000 (equivalent to HK$12,622,000) (31 December 2019: RMB10,558,000 (equivalent to HK$11,825,000)) were made, where HK$155,000 was made during the year (31 December 2019: HK$11,825,000)

22. PLEDGED BANK DEPOSITS

As at 31 December 2020, the Group had pledged bank deposits amounting to approximately HK$755,000 (2019: HK$738,000). At the end of the reporting period, bank guarantees of approximately HK$755,000 (2019: HK$738,000) were issued to suppliers for operational requirements. The directors do not consider it is probable that a claim will be made against the Group under these guarantees. The amounts utilised by the Group at the end of the reporting period under these guarantees were approximately HK$755,000 (2019: HK$526,000), representing the outstanding amounts payable to these suppliers.

23. BANK BALANCES AND CASH

	2020 HK$'000	2019 HK$'000
Cash at bank and in hand	**33,238**	6,672

Cash at bank earns interest at floating rates based on daily bank deposit rates.

24. TRADE AND OTHER PAYABLES

	Notes	2020 HK$'000	2019 HK$'000
Trade payables	*(a)*	**7,277**	3,925
Other payables			
Accrued charges and other creditors		**20,364**	17,253
Contract liabilities		**1,134**	1,579
Consideration payable	*(b)*	**–**	37,172
Due to former directors	*(c)*	**12,833**	12,393
Deposit received		**100**	–
Deposit received for disposal of a subsidiary	*(d)*	**28,025**	–
Due to associates	*(e)*	**–**	398
Loans from directors	*(f)*	**15,710**	2,840
		78,166	71,635
Total trade and other payables		**85,443**	75,560

Notes:

(a) Ageing analysis of trade payables by invoice date is summarised as follows:

	2020 HK$'000	*2019 HK$'000*
Less than 1 month	***4,158***	*968*
1 to 3 months	***1,066***	*1,483*
More than 3 months but less than 12 months	***692***	*416*
More than 12 months	***1,361***	*1,058*
	7,277	*3,925*

(b) The cash consideration payable for a business combination in 2016 is unsecured, interest-free and payable on demand. During the year, the amount of cash consideration payable to the vendor is entitled to set-off the Deemed Agreed Claim Amount as disclosed in note 7 to the consolidated financial statements.

24. TRADE AND OTHER PAYABLES *(continued)*

Notes: (continued)

(c) (i) The amount due to a former director, Mr. Yeung Chun Wai Anthony ("Mr. Yeung"), represented the remaining balance of consideration received from the disposal of 5,700,000 ordinary shares of SingAsia Holdings Limited (Stock Code: 8293) (the "SingAsia Shares") on 9 June 2017, which was finally not approved at the special general meeting of the Company held on 29 December 2017 ("SingAsia Disposal").

As at 31 December 2017, the total amount of approximately HK$41,552,000 received from Mr. Yeung was accounted for as "other payables" and the 5,700,000 SingAsia Shares held by Mr. Yeung on behalf of the Group carried at a fair value approximately of HK$101,802,000 are classified as "financial assets at FVTPL".

In March 2018, the 5,700,000 SingAsia Shares were sub-divided into 28,500,000 shares after sub-division of the issued share capital of SingAsia Holdings Limited ("Sub-divided SingAsia Shares"), of which 20,000,000 Sub-divided SingAsia Shares were returned to the Group by Mr. Yeung in exchange of consideration of approximately HK$29,159,000 previously received by the Group.

As at 31 December 2020 and 31 December 2019, 8,500,000 Sub-divided SingAsia Shares were held by Mr. Yeung and the related balance of consideration received of approximately HK$12,393,000 was accounted for as "due to a former director". As disclosed in the announcement of the Company dated 12 March 2019, in view of the prolonged period of delay in the settlement of the remaining SingAsia Shares by Mr. Yeung, the Company had, through its solicitors, issued the Writ of Summons to commence legal proceedings against Mr. Yeung on 12 March 2019 to request for specific performance by Mr. Yeung of its obligations under the settlement agreement for the transfer of the remaining SingAsia Shares and damages for breach of contract, which may include the fair value losses in the SingAsia Shares in view of the recent drop in the price of SingAsia Shares. As at the date of this annual report, the Group and Mr. Yeung are in the process of preparation and exchange of statement of claims and defences for the legal proceedings.

(ii) In 2019, the Company has entered into loan agreement with a former director, namely Ms Li Bing ("Ms. Li") to provide loan facilities of maximum amounts of HK$500,000, which are unsecured, interest-free and repayable on demand. As at 31 December 2020, the Company has drawn down the loan amounts of HK$440,000 from Ms. Li.

(d) Pursuant to the sales and purchase agreement on 20 November 2020, a deposit of RMB23,750,000 (equivalent to HK$28,025,000) was received from the purchaser in relation to the major disposal in note 26 and note 38 to the consolidated financial statements.

(e) The amounts due to associates are unsecured, interest-free and repayable on demand.

(f) The Group had been provided loan facilities from two directors, Mr. Zhao Ruiyong ("Mr. Zhao") and Mr. Cheung Ka Heng Frankie ("Mr. Frankie Cheung"), for a maximum amounts of HK$38,000,000 (pursuant to a loan agreement with Mr. Zhao dated 30 August 2019) and HK$3,200,000 (pursuant to a loan agreement with Mr. Frankie Cheung dated 30 August 2019 and as supplemented with supplemental loan agreements dated 23 December 2019, 13 January 2020 and 17 February 2020), respectively, all of which are unsecured, unguaranteed and interest-free. In addition, Mr. Frankie Cheung had made an interest-free advance of HK$133,000 to the Company. The aggregate outstanding amount due to Mr. Zhao and Mr. Frankie Cheung was approximately HK$5,710,000, of which approximately HK$2,378,000 is repayable on 31 March 2021 and approximately HK$3,332,000 is repayable on demand.

Subsequent to the last drawdown from the loan facility provided by Mr. Zhao in September 2020, Mr. Zhao had not provided further funding to the Group under the loan agreement with Mr. Zhao. The Group obtained loan facilities from a director, Mr. Cheung Siu Fai ("Mr. Cheung"), in the maximum principal amount of HK$10,000,000 pursuant to loan agreement with Mr. Cheung dated 19 October 2020 with Board approval. The Group has drawn in full the loan amounts of HK$10,000,000, which are unsecured, unguaranteed, interest bearing at 12% per annum and repayable on demand. The Directors considered the terms of the loan facilities from Mr. Cheung to be fair and reasonable and on normal commercial terms.

25. LEASE LIABILITIES

	2020 HK$'000	2019 HK$'000
Lease liabilities payable:		
Within one year	**932**	3,052
Within a period of more than one year but not exceeding two years	**714**	–
	1,646	3,052
Less: Amount due for settlement with 12 months shown under current liabilities	**(932)**	(3,052)
Amount due for settlement after 12 months shown under non-current liabilities	**714**	–

Lease liabilities as at 31 December 2020 is carried at weighted average incremental borrowing rate of 2.257% (2019: 2.503%) per annum.

26. DISPOSAL GROUP HELD FOR SALE

On 20 November 2020, the Company and the purchaser entered into a sales and purchase agreement, pursuant to which the Company conditionally agreed to sell and the purchaser conditionally agreed to acquire the entire issued share capital of a subsidiary of the Company (the "Target Company") at a cash consideration of RMB47,500,000 (approximately of HK$56,050,000). The Target Company also holds 25% and 35% of the equity interests in two associate companies of the Group.

The financial results of these two associate companies have not been consolidated in the results of the Group and have been accounted for using the equity method. Immediately after the Disposal, the Group will cease to hold any interest in the Target Company and these two associate companies.

Assets and liabilities of the Disposal Group were classified as "Assets classified as disposal group held for sale" and "Liabilities classified as disposal group held for sale" respectively in accordance with HKFRS 5 as at 31 December 2020.

26. DISPOSAL GROUP HELD FOR SALE *(continued)*

ASSETS CLASSIFIED AS DISPOSAL GROUP HELD FOR SALE

	As at 31 December 2020 HK$'000
Interests in associates	**59,084**
Bank balances and cash	**104**
Total assets of the disposal group held for sale	**59,188**

LIABILITIES CLASSIFIED AS DISPOSAL GROUP HELD FOR SALE

	As at 31 December 2020 HK$'000
Other payables	**166**
Total liabilities of the disposal group held for sale	**166**

Cumulative amount of HK$3,254,000 relating to the disposal group classified as held for sale has been recognised in other comprehensive expense and included in equity.

27. SHARE CAPITAL

	Number of shares	Amount HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
Balance as at 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	12,000,000,000	120,000
Issued and fully paid:		
Balance as at 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	1,050,280,000	10,503

28. SHARE OPTIONS

On 28 June 2018, the Company adopted a new share option scheme (the "New Share Option Scheme"), which superseded the share option scheme adopted on 20 May 2015 (the "Old Share Option Scheme"). Under the New Share Option Scheme, the directors of the Company may at their decision grant share options to (i) any director, employee, consultants, adviser, substantial shareholder and business partner of any company in the Group and/or (ii) any company wholly-owned by one or more persons belonging to any of the above class of participants. No share options have been granted by the Company under the New Share Option Scheme or the Old Share Option Scheme since adoption.

No share options were granted/forfeited/exercised during the year and there were no share options outstanding/exercisable at the end of the reporting period.

SUMMARY OF PRINCIPAL TERMS

A summary of the principal terms of the New Share Option Scheme and procedures is as follows:

(i) Purpose

The New Share Option Scheme is designed to recognise, motivate and provide incentives to those who make contributions to the Group. The purpose of the New Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, or business partners of the Group and to promote the success of the business of the Group.

(ii) Maximum number of shares

The total number of shares in respect of which share options may be granted (together with share options exercised and then outstanding) under the New Share Option Scheme shall not in aggregate exceed 10% of the shares in issue as at the date of approval of the New Share Option Scheme unless shareholder approval has been obtained. The 10% limit may be refreshed at any time by approval of the shareholders in general meeting provided that the total number of shares that may be issued under the New Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the shares in issue as at the date of approval of the refreshed limited. As at 31 December 2020 and 2019, there were no outstanding share options under the share option scheme adopted by the Company.

The maximum number of shares issued and which may fall to be issued upon the exercise of the share options granted under the New Share Option Scheme (including both exercised and outstanding share options) to each eligible participant shall not exceed 1% of the shares in issue for the time being in any 12 months period up to and including the date of grant.

As at 31 December 2020, the total number of shares available for issue under the New Share Option Scheme was 105,028,000 shares (2019: 105,028,000 shares), which represented 10% of the Company's issued share capital as at the date of approval of the New Share Option Scheme.

(iii) Exercise period and payment on acceptance of share options

A share option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period to be determined and notified by the directors to each grantee, subject to a maximum period of 10 years from the date of grant. There is no minimum period for which an option must be held before it can be exercised.

A share option shall be deemed to have been granted and accepted and to have taken effect when the duplicate letter comprising acceptance of the offer of the grant of a share option duly signed by the grantee together with a remittance in favour of the Company of HK$1.00 in consideration of the grant thereof is received by the Company on a business day not later than 14 days from the offer date.

28. SHARE OPTIONS *(continued)*

SUMMARY OF PRINCIPAL TERMS *(continued)*

(iv) Basis of determining the subscription price

Subject to the terms of the New Share Option Scheme and the provisions of the Listing Rules, the subscription price in respect of any share option shall be at least the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheets on the date of grant; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets over the 5 business days immediately preceding the date of grant; and (iii) the nominal value of a share.

(v) Remaining life of the scheme

The New Share Option Scheme is valid and effective for a period of 10 years from the date of its adoption and will expire at the close of business on 27 June 2028.

29. PLEDGED OF ASSETS

Except for pledged bank deposits, the Group had no significant pledge of assets as at 31 December 2020 and 2019.

30. RELATED PARTY TRANSACTIONS

(A) In addition to the transactions detailed in notes 21(c), 21(d), 24(e) and 24(f) to these consolidated financial statements, during the year, the Group had the following transactions with related parties:

	2020 HK$'000	2019 HK$'000
Nature of transactions		
Telecommunication service income from an associate	**–**	450
Sundry income from associates	**–**	145
Management fee expenses to an associate	**–**	1,095
IT Supporting fee expense to an associate	**–**	72
Interest income from loan receivable from a non-controlling interest of a subsidiary	**500**	504
Interest expenses on loan from a director	**157**	–

(B) Details of the balance with related parties at 31 December 2020 and 2019 are set out in notes 21(c) , 21(d), 24(e) and 24(f) to the consolidated financial statement.

(C) Remuneration for key management personnel (including directors) of the Group:

	2020 HK$'000	2019 HK$'000
Salaries, bonus, allowances and other short-term benefits	**7,713**	6,000
Contribution to defined contribution plans	**196**	187
	7,909	6,187

31. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Pursuant to the disclosure requirements of the HKCO, the statement of financial position of the Company and the movements in its reserves are set out below:

	Notes	**2020 HK$'000**	2019 HK$'000
Non-current assets			
Property, plant and equipment		**20**	178
Right-of-use assets		**–**	–
Interests in subsidiaries		**97,909**	101,974
		97,929	102,152
Current assets			
Other receivables		**230**	5,041
Pledged bank deposits		**79**	79
Bank balances and cash		**28,916**	269
		29,225	5,389
Current liabilities			
Other payables and accruals		**40,552**	9,492
Due to subsidiaries		**156,807**	156,714
Loans from directors		**15,710**	2,840
Lease liabilities		**–**	2,771
		213,069	171,817
Net current liabilities		**(183,844)**	(166,428)
Net liabilities		**(85,915)**	(64,276)
Capital and reserve			
Share capital	*27*	**10,503**	10,503
Reserves	*31(a)*	**(96,418)**	(74,779)
Capital deficiency		**(85,915)**	(64,276)

The statement of financial position was approved and authorised for issue by the Board of Directors on 31 March 2021 and are signed on its behalf by

Mr. Cheung Siu Fai	**Mr. Hui Chun Wai Henry**
DIRECTOR	*DIRECTOR*

31. STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(continued)*

(A) MOVEMENTS OF THE RESERVE

	Share Premium HK$'000 *(Note 32(a))*	Capital redemption reserve HK$'000 *(Note 32(d))*	Contributed surplus HK$'000 *(Note 32(f))*	Accumulated losses HK$'000	Total HK$'000
As at 1 January 2019	290,303	25	83,489	(309,024)	64,793
Loss and total comprehensive expense for the year	–	–	–	(139,572)	(139,572)
As at 31 December 2019	290,303	25	83,489	(448,596)	(74,779)
As at 1 January 2020	**290,303**	**25**	**83,489**	**(448,596)**	**(74,779)**
Loss and total comprehensive expense for the year	**–**	**–**	**–**	**(21,639)**	**(21,639)**
As at 31 December 2020	**290,303**	**25**	**83,489**	**(470,235)**	**(96,418)**

32. RESERVES

(A) SHARE PREMIUM

The application of share premium is governed by the Companies Act 1981 of Bermuda (as amended).

(B) EXCHANGE RESERVE

The exchange reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations.

(C) INVESTMENT REVALUATION RESERVE (NON-CYCLING)

Investment revaluation reserve comprises the accumulated gains and losses arising from the fair value change of Designated FVTOCI and is dealt with in accordance with the accounting policies adopted.

(D) CAPITAL REDEMPTION RESERVE

Capital redemption reserve has been set up and is dealt with on repurchases and cancellations of the Company's own shares. The application of the capital redemption reserve is governed by Section 42A of the Companies Act 1981 of Bermuda (as amended).

(E) CAPITAL RESERVE

Capital reserve represents the difference between the fair value of consideration paid or received and the change in the carrying value of non-controlling interests of a subsidiary in circumstances where changes in the Group's ownership interests in the subsidiary do not result in a loss of control.

32. RESERVES *(continued)*

(F) CONTRIBUTED SURPLUS

Contributed surplus represents the amounts transferred from the share premium account as a result of a capital reorganisation undertaken by the Company in November 2002. Under the Companies Act 1981 of Bermuda (as amended), contributed surplus is distributable to shareholders, subject to the condition that the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that:

(i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or

(ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

As at 31 December 2020 and 2019, there were no reserves available for distribution to the equity holders of the Company.

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Details of the changes in the Group's liabilities from financing activities are as follows:

	Loans from directors HK$'000	Due to former director HK$'000	Interest payables HK$'000	Lease liabilities HK$'000	Total HK$'000
Year ended 31 December 2020					
At the beginning of the reporting period	**2,840**	**–**	**–**	**3,052**	**5,892**
Interest expenses	**–**	**–**	**157**	**35**	**192**
New lease entered	**–**	**–**	**–**	**1,808**	**1,808**
Reclassification	**(440)**	**440**	**–**	**–**	**–**
Net cash inflows (outflows)					
Loans from directors raised	**13,310**	**–**	**–**	**–**	**13,310**
Repayment of lease liabilities	**–**	**–**	**–**	**(3,214)**	**(3,214)**
Interest paid	**–**	**–**	**–**	**(35)**	**(35)**
	15,710	**440**	**157**	**1,646**	**17,953**

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES *(continued)*

	Loans from directors HK$'000	Lease liabilities HK$'000	Obligations under finance leases HK$'000	Total HK$'000
Year ended 31 December 2019				
At the beginning of the reporting period	–	–	50	50
Upon adoption of HKFRS 16	–	5,865	(50)	5,815
Interest expenses	–	119	–	119
Exchange adjustment	–	4	–	4
Net cash inflows (outflows)				
Loans from directors raised	2,840	–	–	2,840
Repayment of lease liabilities	–	(2,827)	–	(2,827)
Interest paid	–	(109)	–	(109)
At the end of the reporting period	2,840	3,052	–	5,892

34. CAPITAL MANAGEMENT

The objectives of the Group's capital management are to safeguard its ability to continue as a going concern and to provide returns for shareholders. The Group manages its capital structure to maintain a balance between liquidity, investment and borrowings, and makes adjustments, including payment of dividends to shareholders or issues new shares in the light of changes in the economic environment. No changes were made in the Group's objectives, policies or processes in managing capital during the years ended 31 December 2020 and 2019.

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's principal financial instruments comprise Designated FVTOCI, financial assets at FVTPL, pledged bank deposits, and bank balances and cash. The main purpose of these financial instruments is to raise or maintain financial resources for the Group's operations. The Group has various other financial instruments such as trade and other receivables, trade and other payables and lease liabilities which arise directly from its business activities.

As at 31 December 2020

	Financial assets at amortised cost HK$'000	Financial assets at FVTPL HK$'000	Designated FVTOCI HK$'000	Total HK$'000
Assets as per consolidated statement of financial position				
Designated FVTOCI	–	–	2,123	2,123
Financial assets at FVTPL	–	896	–	896
Trade and other receivables	10,912	–	–	10,912
Pledged bank deposits	755	–	–	755
Bank balances and cash	33,238	–	–	33,238
	44,905	896	2,123	47,924

	Financial liabilities at amortised cost HK$'000
Liabilities as per consolidated statement of financial position	
Trade and other payables	84,309
Lease liabilities	1,646
	85,955

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES *(continued)*

As at 31 December 2019

	Financial assets at amortised cost HK$'000	Financial assets at FVTPL HK$'000	Designated FVTOCI HK$'000	Total HK$'000
Assets as per consolidated statement of financial position				
Designated FVTOCI	–	–	2,384	2,384
Financial assets at FVTPL	–	1,571	–	1,571
Trade and other receivables	10,174	–	–	10,174
Pledged bank deposits	738	–	–	738
Bank balances and cash	6,672	–	–	6,672
	17,584	1,571	2,384	21,539

	Financial liabilities at amortised cost HK$'000
Liabilities as per consolidated statement of financial position	
Trade and other payables	73,981
Lease liabilities	3,052
	77,033

The main risks arising from the Group's financial instruments are market risk (including equity price risk and foreign currency risk), credit risk and liquidity risk. The Group generally adopts conservative strategies on the Group's risk management and limits the Group's exposure to these risks to a minimum. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below. The key policies on monitoring and controlling these risks are set out below.

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES *(continued)*

(A) EQUITY PRICE RISK

The Group is exposed to price risks arising from equity investments held under financial assets at FVTPL amounted to HK$896,000 (2019: HK$1,448,000), which are held for trading purposes.

The Group is also exposed to price risk arising from Designated FVTOCI amounted to HK$2,123,000 (2019: HK$2,384,000), which are held for strategic rather than trading purposes.

The sensitivity analysis has been determined based on the exposure to equity price risk of equity investments under financial assets at FVTPL. At the end of the reporting period, if the equity price had been 15% (2019: 15%) higher or lower while all other variables were held constant, the Group's net profit would increase or decrease by approximately HK$134,000 (2019: net loss would decrease or increase by approximately HK$217,000) due to change in the fair value of financial assets at FVTPL.

The sensitivity analysis has also been determined based on the exposure to equity price risk of equity investments under Designated FVTOCI. At the end of the reporting period, if the equity price to the valuation model had been 10% (2019: 10%) higher or lower while all other variables were held constant, the Group's net profit would have been unaffected since these equity investments are classified as Designated FVTOCI. Investment revaluation reserve would increase or decrease by HK$212,000 (2019: HK$238,000) as a result of changes in fair value of Designated FVTOCI.

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock market index or other relevant risk variables had occurred at the end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the Group's investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, and that all other variables remain constant. The stated changes represent management's assessment of reasonably possible changes in the relevant stock market index or the relevant risk variables over the period until the next annual end of the reporting period. The analysis is performed on the same basis for 2019.

(B) FOREIGN CURRENCY RISK

The Group is not exposed to significant foreign currency risk as most of its monetary assets and monetary liabilities are denominated in the functional currency of the individual group entity. The management is of the opinion that the Group's exposure to foreign currency risk is minimal. Accordingly, no foreign exchange risk sensitivity analysis is presented. The significant balance carried in the exchange reserve account is occasioned by the translation of the financial statements of the Group's subsidiaries into the presentation currency of the consolidated financial statements of the Group at each reporting date.

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES *(continued)*

(C) CREDIT RISK

The carrying amount of financial assets recognised on the consolidated statement of financial position, which is net of impairment losses, represents the Group's exposure to credit risk without taking into account the value of any collateral held or other credit enhancements.

Trade receivables

Management of the Group has a credit limit policy in place and exposures to credit risks are monitored on an ongoing basis. In order to minimise credit risk, management of the Group has established credit limits, credit approvals and other monitoring procedures to ensure appropriate actions are taken to recover overdue debts.

The Group's credit terms on sales mainly ranged from 30 to 90 days. Included in trade and other receivables are trade receivables (net of loss allowances) with the following ageing analysis by invoice date:

	2020	2019
	HK$'000	HK$'000
Less than 1 month	**8,963**	4,625
1 to 3 months	**409**	875
More than 3 months but less than 12 months	**312**	286
More than 12 months	**857**	441
	10,541	6,227

At the end of the reporting period, the Group had a concentration risk as 58% (2019: 6%) and 77% (2019: 19%) of the total trade receivables were made up by the Group's largest customer and the five largest customers' outstanding balances respectively.

The Group's customer base consists of a wide range of clients and the trade receivables are categorised by common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The Group applies a simplified approach in calculating ECL for trade receivables and recognises a loss allowances based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected loss rate used in the provision matrix is calculated for each category based on actual credit loss experience and adjusted for current and forward-looking factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's estimate on future economic conditions over the expected lives of the receivables. There was no change in the estimation techniques or significant assumptions made during the year.

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES *(continued)*

(C) CREDIT RISK *(continued)*

Trade receivables *(continued)*

The information about the exposure to credit risk and ECL for trade receivables using a provision matrix is summarised below.

	Telecommunication services					Financial payment processing solution and software development services and distribution business				
	Expected loss rate %	Gross carrying amount HK$'000	Loss allowances HK$'000	Credit-impaired	Net carrying amount HK$'000	Expected loss rate %	Gross carrying amount HK$'000	Loss allowances HK$'000	Credit-impaired	Net carrying amount HK$'000
As at 31 December 2020										
Not past due	**1**	**9,025**	**(63)**	**No**	**8,962**	**–**	**–**	**–**	**No**	**–**
Less than 3 months past due	**11**	**514**	**(57)**	**No**	**457**	**–**	**–**	**–**	**No**	**–**
More than 3 months but less 12 months past due	**39**	**456**	**(176)**	**No**	**280**	**–**	**–**	**–**	**No**	**–**
More than 12 months past due	**84**	**5,354**	**(4,512)**	**Yes**	**842**	**100**	**4,421**	**(4,421)**	**Yes**	**–**
		15,349	**(4,808)**		**10,541**		**4,421**	**(4,421)**		**–**
As at 31 December 2019										
Not past due	–	4,421	–	No	4,421	–	–	–	No	–
Less than 3 months past due	24	1,608	(392)	No	1,216	–	–	–	No	–
More than 3 months but less 12 months past due	54	639	(344)	No	295	100	560	(560)	Yes	–
More than 12 months past due	94	4,695	(4,400)	Yes	295	100	3,636	(3,636)	Yes	–
		11,363	(5,136)		6,227		4,196	(4,196)		–

The Group does not hold any collateral over trade receivables as at 31 December 2020 and 2019.

At the end of the reporting period, the Group recognised loss allowances of HK$9,229,000 (2019: HK$9,332,000) on the trade receivables. The movement in the loss allowances for trade receivables during the year is summarised below.

	2020 HK$'000	2019 HK$'000
At the beginning of the reporting period	**9,332**	4,697
Increase in allowance	**515**	4,784
Amount write off as uncollectible	**(859)**	(86)
Exchange adjustments	**241**	(63)
At the end of the reporting period	**9,229**	9,332

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES *(continued)*

(C) CREDIT RISK *(continued)*

Other receivables

Management has credit risk policies in place for the amount due from other debtors, securities broker, an associate and loan receivable from a non-controlling interest of a subsidiary and the exposure to the credit risk is monitored on an ongoing basis. Also, the Group has other monitoring procedures to ensure that follow-up action is promptly taken to recover overdue debts.

In estimating the ECL and in determining whether there is a significant increase in credit risk since initial recognition and whether the financial asset is credit-impaired, the Group has taken into account the historical actual credit loss experience for the debtors and the financial position of the counterparties by reference to, among others, their management or audited accounts and available press information, adjusted for forward-looking factors that are specific to the debtors and general economic conditions of the industry in which the counterparties operate, in estimating the probability of default of these financial assets, as well as the loss upon default in each case. There was no change in the estimation techniques or significant assumptions made during the year.

The Group has established the other receivables credit risk classification system and performs credit risk management based on other receivable classification in one of two categories of internal credit rating. The information about the ECL for the other receivables as at 31 December 2020 is summarised below. After considering the above factors, loss allowances of HK$3,282,000 were recognised during the year ended 31 December 2020 (2019: HK$31,349,000). As at 31 December 2020, loss allowances amounted to HK$35,432,000 (2019: HK$30,952,000).

At 31 December 2020

Internal credit rating	Gross carrying amount HK$'000	ECL	Loss allowances HK$'000	Net carrying amount HK$'000
As at 31 December 2020				
Performing *(Note i)*	**371**	**12-month**	**–**	**371**
Underperforming *(Note ii)*	**–**	**Lifetime**	**–**	**–**
Not performing (credit impaired) *(Note iii)*	**35,432**	**Lifetime**	**(35,432)**	**–**
	35,803		**(35,432)**	**371**

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES *(continued)*

(C) CREDIT RISK *(continued)*

Other receivables *(continued)*

At 31 December 2019

Internal credit rating	Gross carrying amount HK$'000	ECL	Loss allowances HK$'000	Net carrying amount HK$'000
As at 31 December 2020				
Performing *(Note i)*	1,967	12-month	–	1,967
Underperforming *(Note ii)*	11,937	Lifetime	(9,957)	1,980
Not performing (credit impaired) *(Note iii)*	20,995	Lifetime	(20,995)	–
	34,899		(30,952)	3,947

Notes:

(i) Performing (Normal Credit Quality) refers to the other receivables that have not had a significant increase in credit risk and ECL in the next 12 months will be recognised.

(ii) Underperforming (Significant Increase in Credit Risk) refers to the other receivables that have had a significant increase in credit risk and for which the lifetime ECL will be recognised.

(iii) Not performing (credit impaired) refers to the other receivables that have had past due or it become probable that a debtor will enter into bankruptcy, for which the lifetime ECL will be recognised.

The movement in the loss allowances for the balances during the year is summarised below.

	2020 HK$'000	2019 HK$'000
At the beginning of the reporting period	**30,952**	43,433
Increase in allowance	**3,282**	31,349
Amount write off as deregistration of debtor	**–**	(43,433)
Exchange adjustments	**1,198**	(397)
At the end of the reporting period	**35,432**	30,952

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES *(continued)*

(C) CREDIT RISK *(continued)*

Cash at banks

The credit risk on cash at banks balances is limited because majority of the counterparties are financial institutions with high credit-ratings assigned by international credit-rating agencies and state-owned banks with good reputation. No loss allowances were recognised for years ended 31 December 2020 and 2019.

(D) LIQUIDITY RISK

Individual operating units within the Group are responsible for their own cash management. To minimise liquidity risks, management of the Group regularly reviews the current and expected liquidity requirements of operating units to ensure they maintain sufficient reserves of cash to meet operational needs so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities to meet their liquidity requirements in the short and longer terms.

The maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted payments is summarised below.

	On demand or less than 1 month HK$'000	1 to 3 months HK$'000	3 to 12 months HK$'000	1 to 2 years HK$'000	Total contractual undiscounted cash flow HK$'000	Total carrying value HK$'000
As at 31 December 2020						
Trade and other payables	**56,284**	**28,025**	**–**	**–**	**84,309**	**84,309**
Lease liabilities	**72**	**72**	**816**	**720**	**1,680**	**1,646**
Bank guarantee commitments	**755**	**–**	**–**	**–**	**755**	**–**
	57,111	**28,097**	**816**	**720**	**86,744**	**85,955**
As at 31 December 2019						
Trade and other payables	73,458	–	523	–	73,981	73,981
Lease liabilities	785	565	1,729	–	3,079	3,052
Bank guarantee commitments	526	–	–	–	526	–
	74,769	565	2,252	–	77,586	77,033

Note: As at 31 December 2020, included in trade and other payables were loans from directors amounting to HK$15,710,000 which is repayable on demand and deposit received for disposal of subsidiary amounting to RMB23,750,000 (equivalent to HK$28,025,000), the disposal was completed on 19 March 2021.

36. FAIR VALUE MEASUREMENTS

The following presents the Group's financial instruments measured at fair value at the end of the reporting period across the three levels of the fair value hierarchy as defined in HKFRS 13, *Fair Value Measurement*, with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 (lowest level): unobservable inputs for the asset or liability.

(A) ASSETS MEASURED AT FAIR VALUE

	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
As at 31 December 2020				
Designated FVTOCI				
Unlisted equity securities	**–**	**–**	**2,123**	**2,123**
Financial assets at FVTPL				
Equity investments listed in Hong Kong	**896**	**–**	**–**	**896**
	896	**–**	**2,123**	**3,019**
As at 31 December 2019				
Designated FVTOCI				
Unlisted equity securities	–	–	2,384	2,384
Financial assets at FVTPL				
Equity investments listed in Hong Kong	1,448	–	–	1,448
Unlisted investment fund	–	–	123	123
	1,448	–	2,507	3,955

During the years ended 31 December 2020 and 2019, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

36. FAIR VALUE MEASUREMENTS *(continued)*

(A) ASSETS MEASURED AT FAIR VALUE *(continued)*

Quantitative information of the significant unobservable inputs and description of valuation techniques used in Level 3 fair value measurement

The quantitative information of the significant unobservable input and description of valuation techniques used in Level 3 fair value measurement, including the description of the sensitivity to changes in unobservable inputs for recurring Level 3 fair value measurements, are as follows:

	Fair value at 31 December 2020 HK$'000	Fair value at 31 December 2019 HK$'000	**Valuation techniques**	**Unobservable input**	**Range (weighted average, if applicable)**	**Sensitivity of fair value to changes in unobservable inputs**
Assets						
Financial assets at FVTPL						
– unlisted fund investments	**–**	123	Discounted cash flow	Interest rate	n/a (2019: 3.1%)	For 2019, 100 basis points would increasing/ decreasing fair value by approximately HK$1,000
Designated FVTOCI – unlisted equity securities	**2,123**	2,384	Net assets values as reported by management of investee companies	n/a	n/a	n/a

Valuation processes of the Group

The fair values of assets and liabilities traded in active markets (such as equity investments at FVTPL) are based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price quoted by source of market prices e.g., stock exchanges.

The fair values of assets and liabilities that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows and net asset value, are used to determine fair value for other assets and liabilities.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

36. FAIR VALUE MEASUREMENTS *(continued)*

(B) FINANCIAL ASSETS AND LIABILITIES CARRIED AT OTHER THAN FAIR VALUE

The carrying amount of the Company's other receivables and other payables that are carried at amortised cost are not materially different from their fair value as at the end of the reporting period.

37. COMMITMENTS AND CONTINGENCIES

CAPITAL EXPENDITURE COMMITMENTS

The Group had no other significant capital commitments at the end of the reporting period (2019: nil).

38. EVENTS AFTER THE REPORTING PERIOD

I) MAJOR TRANSACTION IN RELATION TO THE DISPOSAL OF A SUBSIDIARY

Pursuant to the Company's announcement dated 20 November 2020 and circular dated 24 February 2021, the Company entered into a sale and purchase agreement with the purchaser, an independent third party, in relation to the proposed disposal of the entire issued share capital of a wholly owned subsidiary B&R Investment Holding Limited for a cash consideration of RMB47,500,000 (approximately of HK$56,050,000) on 20 November 2020. The transaction was completed on 19 March 2021.

II) MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF A TARGET COMPANY

Pursuant to the Company's announcement dated 3 March 2021, the Company and the vendor entered into a provisional agreement pursuant to which the Company has conditionally agreed to buy and the vendor has conditionally agreed to sell the entire issued share capital of Palico Development Limited and the sale loan for an aggregate consideration of HK$51,750,000, subject to adjustments, which is payable in cash. As of the date of this report, the transaction has not yet been completed.

SUMMARY OF RESULTS, ASSETS AND LIABILITIES OF THE GROUP

	Results of the Group for the five years ended 31 December				
	Continued and discontinued operations				
	2020	2019	2018	2017	2016
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue	**72,376**	79,210	67,920	71,675	78,917
Profit (loss) before taxation	**16,781**	(234,115)	(15,123)	(16,546)	(79,559)
Taxation credits (charges)	**103**	8,943	(1,025)	(725)	(1,455)
Profit (loss) for the year	**16,884**	(225,172)	(16,148)	(17,271)	(81,014)
	HK cents	HK cents	HK cents	HK cents	HK cents
Earnings (loss) per share					
Basic and diluted	**1.6**	(20.9)	(1.2)	(1.8)	(10.6)

	Assets and liabilities of the Group as at 31 December				
	2020	2019	2018	2017	2016
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Non-current assets	**2,277**	58,665	116,118	96,048	138,852
Current assets	**106,475**	21,846	189,585	242,475	170,455
Total assets	**108,752**	80,511	305,703	338,523	309,307
Non-current liabilities	**714**	–	9,666	14,791	16,939
Current liabilities	**86,541**	78,612	67,292	115,401	86,115
Total liabilities	**87,255**	78,612	76,958	130,192	103,054
Net assets	**21,497**	1,899	228,745	208,331	206,253

SHAREHOLDER INFORMATION

SHAREHOLDER ENQUIRIES

Any enquiries relating to your shareholding, for example transfer of shares, change of name or address, or lost share certificates, should be sent to:

Principal Share Registrar and Transfer Office in Bermuda:
MUFG Fund Services (Bermuda) Limited
4th floor North Cedar House
41 Cedar Avenue
Hamilton HM12
Bermuda

Branch Share Registrar and Transfer Office in Hong Kong:
Tricor Secretaries Limited
Level 54
Hopewell Centre
183 Queen's Road East
Hong Kong

INVESTOR RELATIONS

Enquiries may be directed to:

Investor Relations
Great Wall Belt & Road Holdings Limited
Room 1602, 16/F,
COFCO Tower,
262 Gloucester Road
Causeway Bay,
Hong Kong

Telephone: +852 2522 3800
Facsimile: +852 2111 2665
Email: investor@gwbrhk.com

CORPORATE COMMUNICATIONS

On 15 September 2003, the Company sent a letter to its shareholders (the "Shareholders") to enable them to select, among others, to receive all future corporate communications of the Company in either the English language or the Chinese language or both languages. This annual report, in either the English language or the Chinese language or both languages, is being delivered to each Shareholder in accordance with his/her selection made or, if no selection has been made by Shareholder, the arrangement as set forth in the said letter.

The Shareholders may also obtain this annual report in the language other than that he/she now receives upon request to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. For further enquiries, please contact Tricor Secretaries Limited at telephone no. 2980 1333 or facsimile no. 2861 1465.

股東亦可向本公司之股份過戶登記處香港分處卓佳秘書商務有限公司（地址為香港皇后大道東183號合和中心54樓）索取本年報之另一語言文本。如欲查詢更多資料，請聯絡卓佳秘書商務有限公司，電話號碼為2980 1333，傳真號碼為2861 1465。

This annual report, in both the English and the Chinese languages and in accessible format, has been made available on the Company's website and a soft copy thereof has been submitted to Hong Kong Exchanges and Clearing Limited.

The Shareholders may at any time choose to receive corporate communications in printed form or electronically.

In order to select to receive corporate communications of the Company in the English language or the Chinese language or both languages, or to receive electronic communications, or to revoke or amend an instruction previously made, the Shareholders may complete, sign and return to the Company or Tricor Secretaries Limited, the Company's branch share registrar and transfer office in Hong Kong, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong a prescribed instruction slip by mail or by email to greatwallbr524-ecom@hk.tricorglobal.com, a copy of which is printed at the end of this annual report and is available on the Company's website (www.gwbrhk.com).

INSTRUCTION SLIP
ON RECEIVING FUTURE CORPORATE COMMUNICATIONS

To: Great Wall Belt & Road Holdings Limited (the "Company")
c/o Tricor Secretaries Limited
Level 54
Hopewell Centre
183 Queen's Road East
Hong Kong

Please tick only one box of this instruction slip

1. PRINTED FORM

(a) *Full Financial Reports and other Corporate Communications (English, Chinese or both)*

In future,

☐ I/We would like to receive the printed copies of Full Financial Reports and other Corporate Communications in the English language only; OR

☐ I/We would like to receive the printed copies of Full Financial Reports and other Corporate Communications in the Chinese language only; OR

☐ I/We would like to receive the printed copies of Full Financial Reports and other Corporate Communications in both the English and Chinese languages.

(b) *Summary Financial Reports and other Corporate Communications (English, Chinese or both)*

In future,

☐ I/We would like to receive the printed copies of Summary Financial Reports (if available) and other Corporate Communications in the English language only; OR

☐ I/We would like to receive the printed copies of Summary Financial Reports (if available) and other Corporate Communications in the Chinese language only; OR

☐ I/We would like to receive the printed copies of Summary Financial Reports (if available) and other Corporate Communications in both the English and Chinese languages.

2. ELECTRONIC MEANS

☐ In future, I/we would like to receive the Corporate Communications through electronic means in lieu of any or all of the printed copies referred to in 1(a) and (b) above:

My/Our E-mail Address: ______________________________

(for notification of Corporate Communication release)

☐ I/We would like to change my/our E-mail Address as follows:

My/Our New E-mail Address: ______________________________

(for notification of Corporate Communication release)

With effect from: ______________________________

Signature: ______________________ Date: ______________________

Name of Shareholder: ______________________________

Address: ______________________________

Contact telephone number: ______________________________

Notes:

1. The above instruction will apply to all future Corporate Communications to be sent to the shareholders of the Company (the "Shareholders") until you notify the Company the otherwise by reasonable notice in writing.

2. All future Corporate Communications in both the English and Chinese languages will be available from the Company or Tricor Secretaries Limited, the Company's Branch Share Registrar and Transfer office in Hong Kong, upon request.

3. The Shareholders are entitled to change the choice of language of and means of receiving Corporate Communications at any time by completing, signing and returning this instruction slip to the Company or Tricor Secretaries Limited, the Company's Branch Share Registrar and Transfer Office in Hong Kong, by mail or by email to *greatwallbr524-ecom@hk.tricorglobal.com*.

4. A soft copy of this instruction slip is available on the Company's website.

關於將來收取公司通訊之
指示回條

致： 長城一帶一路控股有限公司（「本公司」）
由卓佳秘書商務有限公司轉交
香港
皇后大道東183號
合和中心
54樓

請只在本指示回條中一個方格內劃上✓號

1. 印刷形式

(a) 完整財務報告及其他公司通訊（英文、中文或中英文）

於將來，

☐ 本人／吾等願意僅收取完整財務報告及其他的公司通訊之英文印刷版本；或
☐ 本人／吾等願意僅收取完整財務報告及其他的公司通訊之中文印刷版本；或
☐ 本人／吾等願意收取完整財務報告及其他的公司通訊之中英文印刷版本。

(b) 財務摘要報告及其他公司通訊（英文、中文或中英文）

於將來，

☐ 本人／吾等願意僅收取財務摘要報告（如有）及其他的公司通訊之英文印刷版本；或
☐ 本人／吾等願意僅收取財務摘要報告（如有）及其他的公司通訊之中文印刷版本；或
☐ 本人／吾等願意收取財務摘要報告（如有）及其他的公司通訊之中英文印刷版本。

2. 電子形式

☐ 於將來，本人／吾等願意以電子形式收取公司通訊以代替上文1(a)及(b)段所述之任何或所有印刷文本：

本人／吾等之電郵地址：______________________________

（通知發佈公司通訊適用）

☐ 本人／吾等願意更改本人／吾等之電郵地址如下：

本人／吾等之新電郵地址：______________________________

（通知發佈公司通訊適用）

生效日期：______________________________

簽署：______________________ 日期：______________________

股東姓名／名稱：______________________________

地址：______________________________

聯絡電話號碼：______________________________

附註：

1. 上述指示適用於將來寄發予本公司股東（「股東」）之所有公司通訊，直至　閣下於合理時間以書面通知本公司另作選擇為止。

2. 將來所有公司通訊之中英文版本均在本公司或本公司之股份過戶登記處香港分處卓佳秘書商務有限公司可供索閱。

3. 股東有權於任何時間填妥及簽署本指示回條並以郵寄方式或電郵至*greatwallbr524-ecom@hk.tricorglobal.com*，將其交回本公司或本公司之股份過戶登記處香港分處卓佳秘書商務有限公司，要求更改收取公司通訊之語言版本及形式。

4. 本指示回條之電子格式檔於本公司網頁登載。

長城一帶一路
Great Wall Belt & Road

Great Wall Belt & Road Holdings Limited
長城一帶一路控股有限公司

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