

DT CAPITAL



DT CAPITAL LIMITED

鼎立資本有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 356



INTERIM REPORT

2021



# CORPORATE INFORMATION

## Board of Directors

### Executive Directors

Mr. Su Chunxiang  
Mr. Leong Chi Wai  
Mr. Lewis Chan

### Non-executive Directors

Ms. Chan Pui Kwan (*Chairman*)  
Ms. Li Peng

### Independent non-executive Directors

Mr. Chen Yeung Tak  
Mr. Ruan Zhi  
Mr. Jochum Siebren Haakma

## Audit Committee

Mr. Chen Yeung Tak  
(*Chairman of Audit Committee*)  
Mr. Ruan Zhi  
Mr. Jochum Siebren Haakma

## Remuneration Committee

Mr. Chen Yeung Tak  
(*Chairman of Remuneration Committee*)  
Mr. Ruan Zhi  
Mr. Jochum Siebren Haakma

## Nomination Committee

Mr. Ruan Zhi  
(*Chairman of Nomination Committee*)  
Mr. Chen Yeung Tak  
Mr. Jochum Siebren Haakma

## Company Secretary

Mr. Ho Kim Fung

## Authorized Representatives

Ms. Chan Pui Kwan  
Mr. Lee Tak Shing

## Auditors

BDO Limited

## Principal Bankers

DBS Bank (Hong Kong) Limited  
Industrial and Commercial Bank of China  
(Asia) Limited  
Luso International Banking Limited

## Registered Office

Cricket Square  
Hutchins Drive, P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## CORPORATE INFORMATION (CONTINUED)

### **Head Office and Principal Place of Business**

Unit D, 6th Floor, Eton Building  
288 Des Voeux Road Central  
Hong Kong

### **Principal Registrar**

Suntera (Cayman) Limited  
Suite 3204, Unit 2A  
Block 3  
Building D  
P.O. Box 1586  
Gardenia Court  
Camena Bay  
Grand Cayman KY1-1100  
Cayman Islands

### **Hong Kong Branch Share Registrar**

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

### **Stock Code**

356

## Interim Report and Condensed Accounts

The Board (the "Board") of Directors (the "Directors") of DT Capital Limited (the "Company") hereby presents the unaudited condensed consolidated accounts of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2021. The interim results had been reviewed by the audit committee of the Company and approved by the Board.

### Review of Report

For the six months ended 30 June 2021, the Group recorded a net profit attributable to shareholders of approximately HK\$370,288 (2020: loss HK\$30,321,308) and earnings per share of HK0.02 cents (2020: loss HK1.33 cents).

### Interim Dividend

The Board of Directors has resolved not to declare and pay any interim dividend for the period ended 30 June 2021 (2020: Nil).

## Management Discussion and Analysis

### Business Review

Compared with the corresponding period of the last year, the profit was mainly caused by increasing unrealized gain on financial assets at fair value through profit or loss to approximately HK\$2.72 million (2020: unrealized loss HK\$23.73 million).

There was no new investment plan since January 2021.

The stock market was fluctuating in the first half of 2021 that led to the Group's unrealized fair value gain on listed securities of approximately HK\$3.13 million (2020: loss HK\$22.11 million) and realized gain on listed securities of approximately HK\$1.85 million (2020: loss HK\$0.49 million).

The performance of investments were affected by the major factors as follows:

Economic and Social – Economic and Social factors affected the stock market and caused its fluctuation, such as trade war between U.S. with China volatile and "COVID-19" pandemic around the globe.

Liquidity – Liquidity affected the Group short term strategy to balance in investing listed and unlisted securities and maintaining the cash position.

The Group strategy was to maintain strong cash balance to prepare for stock market fluctuation in 2021. The Group had no new investment plan and disposed of one project in the first half of 2021. The Group short term strategy is changed from time to time to reflect the market and economic situation and long term strategy is balanced in investing listed and unlisted securities with an aim to increase shareholder's returns.

The proceeds of approximately HK\$35 million from the placing on 28 December 2017 has changed its usage as disclosed in the announcement of the Company on 13 December 2019. The Board resolved to reallocate the sum of approximately HK\$17.5 million for general working capital and approximately HK\$17.5 million has been used in 2020 and 2021. The remaining sum of approximately HK\$17.5 million shall be used for investment in potential projects in China or relating to technology business as originally planned, and/or for such other business opportunities as may be identified by the Company as suitable. The approximately HK\$17.5 million were not utilised as at the date of this report and has been kept in the Company's bank accounts.

The delay in making the investment and applying the proceeds was due to the reason that the Company has been taking a more prudent approach in studying investment opportunities and making new investment with the function of the investment manager suspended since 9 November 2018. The Company was in the course of actively reviewing the intended investment opportunities again and targeted to confirm and implement such investment opportunity. However, the Company remains prudent and conservative in making new investments given the global social and economic unrest in the year of 2021 and the deteriorating investment environment.

The Company will adopt a prudent approach to identify and assess investment opportunities, and expect that the net proceeds of approximately HK\$5 million will be used for new investment in 2021. The remaining of approximately HK\$12.5 million will be applied for suitable investment opportunities. The Board will closely monitor the economic and financial condition of the market and will actively look for suitable investment opportunities, with the aim to use the available fund of the Company in a more effective way.

## Prospects

Global prospects remain highly uncertain one year into the pandemic. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. It depends not just on the outcome of the battle between the virus and vaccines – it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis. While global economic performance became fluctuating since the start of 2020, we were being cautious on the impact brought by COVID-19 pandemic.

China has implemented strict measures to keep the outbreak under control, and the effectiveness of vaccination in curbing the spread of COVID-19 variants remain uncertain. Nevertheless, the economic performance during the first half of 2021 was more promising compared with that of 2020, and it is expected that growth in 2021 will be stronger and the economy will gradually recover. Investment and exports will remain robust as infrastructure projects restart and foreign demand recovers.

In U.S, the vaccination campaign has progressed more rapidly than expected. About half of the population has received at least one dose of a COVID-19 vaccine. Greater control of the virus has allowed containment measures to be further relaxed. Although there were rebounds of infections by COVID-19 variants, the economic recovery has started to pick up. Indicators of consumption activity have risen, with strong household income growth and a gradual relaxation of containment measures boosting spending.

In Hong Kong, the COVID-19 pandemic and uncertainty brought by the trade disputes between China and the U.S. have continually affecting the Hong Kong investment environment in 2021.

With the above in mind, we will adopt a prudent approach to identify and assess investment opportunities while continue to seek out investment opportunities with long-term prospects to enrich our investment portfolio. As always, we will maintain our pragmatic approach to maximize returns to shareholders while minimizing losses.

## **Financial Review**

### **Financial Resources and Liquidity**

The Group maintained a cash position, bank balance and cash amounting to approximately HK\$27.75 million as at 30 June 2021 (31 December 2020: HK\$33.9 million).

The Group's total borrowings comprising other payables and accruals and lease liability, amounted to approximately HK\$0.74 million as at 30 June 2021 (31 December 2020: HK\$2.74 million).

As at 30 June 2021, the Group's gearing ratio was approximately 0.64% (31 December 2020: 2.37%).

The Group had net financial asset investments of approximately in total of HK\$90.19 million as at 30 June 2021 (31 December 2020: HK\$82.39 million).

### **Capital structure**

There has been no change to the capital structure of the Company since 1 January 2021.

### **Material acquisitions and disposals of subsidiaries**

The Group has not made any material acquisition or disposal of subsidiaries during the period ended 30 June 2021.

## **Financial commitment, capital commitment and contingent liabilities**

As at 30 June 2021, the Group has no material capital commitment and no contingent liabilities.

## **Share options**

The Company has not adopted any share option scheme.

## **Employment and Remuneration Policies**

As at 30 June 2021, the Group employed a total of 6 employees (2020: 6) including the Directors and senior management of the Company. The remuneration packages consist of basic salary, mandatory provident fund, medical insurance, and other benefits considered as appropriate. Remuneration packages are generally structured by reference to market terms, individual qualification and performance. They are under periodic review based on individual merit and other market factors.

## **Staff Cost**

The Group's total staff costs for the period under review amounted to HK\$1,636,100 (2020: HK\$1,767,875).

## **Exposure to Fluctuations in Exchange Rates and Related Hedges**

The Group's assets and liabilities are majority denominated in Hong Kong dollars. The Group at present does not have any contracts to hedge against its foreign exchange risks.

## **Purchase, Sale or Redemption of Securities**

During the period under review, the Company has not redeemed any of its securities and neither the Company nor any of its subsidiaries has purchased or sold any of the Company's securities.



## Directors' Interests in Securities

As at 30 June, 2021, 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")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "SEHK") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the directors and the chief executive of the Company were deemed or taken to have under such provisions of the SFO) or which were required to be and were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Listing Rules were as follows:

### Long position in shares of the Company

Name of Director	Number of shares					Total	Percentage of issued share capital
	Personal interests	Family interests (interest of spouse)	Corporate interests	Other interests (interest in controlled corporation)			
Chan Pui Kwan (Note 1)	-	-	-	254,500,000		254,500,000	11.16%

Note:

1. Fame Image Limited is beneficially and ultimately owned as to 70% by Ms. Chan Pui Kwan ("Ms. Chan") and 30% by Wu Weihong, Tony.

As at 30 June 2021, Ms. Chan is interested in 70% of the share capital of Fame Image Limited, which in turn owned 50% of the share capital of Sharp Years Limited, which in turn is holding 254,500,000 shares of the Company. Accordingly, Ms. Chan is deemed to be interested in 254,500,000 shares of the Company, representing approximately 11.16% of the entire issued share capital of the Company. Ms. Chan was appointed as Director with effect from 7 July 2014.

Save as disclosed above as at 30 June 2021, none of the Directors or the chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares of equity derivatives or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) as 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.

## Substantial Shareholders' Interests in Securities

As at 30 June 2021, the following persons or corporations, other than the interest disclosed above in respect of the directors, interest in 5% or more in the shares and underlying shares of the Company have been notified to the Company and recorded in the register of substantial shareholders' interests in shares and short positions required to be kept under Section 336 of Part XV of the SFO:

### Long positions in Shares of the Company

<b>Name of shareholders</b>	<b>Number of issued ordinary shares held</b>	<b>Approximate percentage of total issued ordinary shares</b>
P.B. Global Asset Management Limited <i>(Note 1)</i>	504,410,000	22.13%
Vibrant Noble Limited <i>(Note 2)</i>	379,900,000	16.67%
Sharp Years Limited <i>(Note 3)</i>	254,500,000	11.16%
Long Surplus International Limited <i>(Note 3)</i>	254,500,000	11.16%
Fame Image Limited <i>(Note 3)</i>	254,500,000	11.16%
Ho Hoi Yee, Wisery <i>(Note 3)</i>	254,500,000	11.16%
Lai Tsui Har <i>(Note 3)</i>	254,500,000	11.16%
Wu Weihong, Tony <i>(Note 3)</i>	254,500,000	11.16%

*Notes:*

1. P.B. Global Asset Management Limited is an investment manager. P.B. Capital Advanced Fund SPC – P.B. Capital Advanced Fund 2 Segregated Portfolio beneficially owned the Shares.
2. Vibrant Noble Limited is wholly owned by Mr. Qian Jun.
3. Sharp Years Limited is owned as to 50% by Long Surplus International Limited and 50% by Fame Image Limited respectively. Long Surplus International Limited is beneficially and ultimately owned as to 66.67% by Ms. Ho Hoi Yee, Wisery and 33.33% by Ms. Lai Tsui Har. Fame Image Limited is beneficially and ultimately owned as to 70% by Ms. Chan Pui Kwan, a non-executive Director and 30% by Mr. Wu Weihong, Tony.

Save as disclosed above, the Directors are not aware of any other persons who have interests or short positions in the shares, underlying shares of equity derivatives or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be disclosed to the Company pursuant to Part XV of the SFO as at 30 June 2021.

## **Public Float**

Based on the information that is publicly available to the Company and within the knowledge of its directors, as at the date of this report, there is sufficient public float of more than 25% of the issued share capital of the Company as required under the Listing Rules.

## **Directors' Interests in Transaction, Arrangement, Contracts and Competing Business**

In the opinion of the Board, save as disclosed in note 16 to the condensed consolidated financial statement, there were no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which any director of the Company had a material interest, whether directly or indirectly, subsisted at any time during the period.

None of the Directors is interested in any business apart from the Group's interests, which competes or is likely to compete, either directly or indirectly with the Group's business.

## Corporate Governance

The Board has established procedures on corporate governance that comply with the requirements of the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Listing Rules. The Board has reviewed and taken measures to adopt the CG Code as the Company’s code of corporate governance practices. During the six months ended 30 June 2021, the Company has complied with the code provisions under the CG Code.

## Audit Committee

The Company has established an audit committee in accordance with Rule 3.21 of the Listing Rules, for the purpose of reviewing and providing supervision over the Group’s financial reporting process and internal controls. The audit committee of the Company has reviewed the interim report for the period ended 30 June 2021.

## Model Code for Securities Transactions by Directors

The Company has complied with the code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in the Model Code. Having made specific enquiry of all Directors, they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transaction by the Directors adopted by the Company.

## Publication of Interim Report

This interim report is published on HKExnews website at [www.hkexnews.hk](http://www.hkexnews.hk) and on the website of the Company at [www.dt-capitalhk.com](http://www.dt-capitalhk.com).

By order of the Board

**Chan Pui Kwan**

*Chairman*

Hong Kong, 27 August 2021

*As at the date of this report, the Board comprises Mr. Su Chunxiang, Mr. Leong Chi Wai and Mr. Lewis Chan as Executive Directors; Ms. Chan Pui Kwan and Ms. Li Peng as Non-executive Directors; Mr. Chen Yeung Tak, Mr. Ruan Zhi and Mr. Jochum Siebren Haakma as Independent Non-executive Directors.*

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2021

	<i>Note</i>	<b>Six months ended 30 June 2021 (Unaudited) HK\$</b>	Six months ended 30 June 2020 (Unaudited) HK\$
Revenue	4	<b>822,403</b>	148,389
Other revenue	5	<b>58,700</b>	227,083
Fair value gain/(loss) on financial assets at fair value through profit or loss	6	<b>4,573,746</b>	(24,217,183)
Administrative and other operating expenses		<b>(4,139,998)</b>	(7,145,337)
Finance cost	7	<b>(35,773)</b>	(120,142)
Profit/(Loss) before taxation	8	<b>1,279,078</b>	(31,107,190)
Taxation	9	<b>(908,790)</b>	785,882
Profit/(Loss) and total comprehensive income/(loss) for the period attributable to equity holder of the Company		<b>370,288</b>	(30,321,308)
Earnings/(loss) per share	10	<b>0.02 cents</b>	(1.33) cents
Interim dividend	11	<b>Nil</b>	Nil

The notes on pages 16 to 30 form part of this interim report.

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

		<b>30 June 2021 (Unaudited) HK\$</b>	31 December 2020 (Audited) HK\$
	<i>Note</i>		
<b>Current assets</b>			
Financial assets at fair value through profit or loss	12	<b>90,191,955</b>	82,394,919
Other receivables, deposits and prepayments		<b>2,402,625</b>	2,638,818
Amount due from an investee		–	2,120,135
Cash and bank balances		<b>27,746,761</b>	33,904,598
		<b>120,341,341</b>	121,058,470
<b>Current liabilities</b>			
Other payables and accruals	13	<b>2,158,314</b>	2,391,014
Lease liability	15	<b>298,543</b>	2,062,050
		<b>2,456,857</b>	4,453,064
<b>Net current assets</b>		<b>117,884,484</b>	116,605,406
<b>Non-current liability</b>			
Deferred taxation	9	<b>1,835,064</b>	926,274
		<b>1,835,064</b>	926,274
<b>Net assets</b>		<b>116,049,420</b>	115,679,132
<b>Capital and reserves</b>			
Share capital	14	<b>22,794,000</b>	22,794,000
Reserves		<b>93,255,420</b>	92,885,132
<b>Shareholders' funds</b>		<b>116,049,420</b>	115,679,132

The notes on pages 16 to 30 form part of this interim report.

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2021

	For the six months ended 30 June 2020 (Unaudited)			
	Share	Share	Accumulated	Total
	capital	premium	losses	
	HK\$	HK\$	HK\$	
Balance at 1 January 2020	22,794,000	262,926,160	(129,127,879)	156,592,281
Loss and total comprehensive loss attributable to equity holders of the Company	–	–	(30,321,308)	(30,321,308)
At 30 June 2020	22,794,000	262,926,160	(159,449,187)	126,270,973
	For the six months ended 30 June 2021 (Unaudited)			
	Share	Share	Accumulated	Total
	capital	premium	losses	
	HK\$	HK\$	HK\$	
Balance at 1 January 2021	<b>22,794,000</b>	<b>262,926,160</b>	<b>(170,041,028)</b>	<b>115,679,132</b>
Profit and total comprehensive income attributable to equity holders of the Company	–	–	<b>370,288</b>	<b>370,288</b>
At 30 June 2021	<b>22,794,000</b>	<b>262,926,160</b>	<b>(169,670,740)</b>	<b>116,049,420</b>

The notes on pages 16 to 30 form part of this interim report.

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2021

<i>Notes</i>	<b>Six months ended 30 June 2021 (Unaudited) HK\$</b>	Six months ended 30 June 2020 (Unaudited) HK\$
	<b>(4,358,557)</b>	(4,525,842)
<b>Net cash used in operating activities</b>		
<b>Cash flows from investing activities</b>		
<b>Net proceeds from disposal of a subsidiary</b>	–	12,820,016
<b>Net cash generated from investing activities</b>	–	12,820,016
<b>Cash flows from financing activities</b>		
<b>Payment of principal portion of the lease liabilities</b>	15 (1,763,507)	(1,710,766)
<b>Interest paid</b>	(35,773)	(120,142)
<b>Net cash used in financing activities</b>	<b>(1,799,280)</b>	(1,830,908)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(6,157,837)</b>	6,463,266
<b>Cash and cash equivalents at beginning of period</b>	<b>33,904,598</b>	35,653,786
<b>Cash and cash equivalents at end of period</b>	<b>27,746,761</b>	42,117,052
<b>Analysis of the balances of cash and cash equivalents</b>		
Cash at bank and in hand	<b>27,746,761</b>	42,117,052

The notes on pages 16 to 30 form part of this interim report.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2021

## 1. Basis of Preparation

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

## 2. Principal Accounting Policies

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss which are measured at fair values.

The accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2020 except for the accounting policy changes that are expected to be reflected in the 2021 annual financial statements. Details of any changes in accounting policies are set out in note 3.

## 3. Changes in Accounting Policies

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of new standards effective as of 1 January 2021.

Amendments to HKFRS 16

COVID-19-Related Rent Concessions

Amendments to HKAS 39, HKFRS 4,  
HKFRS 7, HKFRS 9 and HKAS 16

Interest Rate Benchmark Reform – Phase 2

None of these amended standard has a impact on the Group’s resents and financial position for the current or prior period. The Group has not early applied any new or amended standards that is not yet effective for the current accounting period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the six months ended 30 June 2021

#### 4. Revenue

	<b>Six months ended 30 June 2021 (Unaudited) HK\$</b>	Six months ended 30 June 2020 (Unaudited) HK\$
Dividend income from listed equity securities	<b>822,403</b>	148,389
	<b>822,403</b>	148,389

The principal activities of the Group are investments in securities listed on the The Stock Exchange of Hong Kong Limited and unlisted securities with a potential growth and capital appreciation.

No analysis of the Group's revenue and contribution to operating loss for the current and prior period set out by principal activities and geographical markets is provided. It is because the Group has only one single business segment, investment holding, and all the consolidated revenue and the consolidated results of the Group are attributable to performance of the markets in Hong Kong.

#### 5. Other Revenue

	<b>Six months ended 30 June 2021 (Unaudited) HK\$</b>	Six months ended 30 June 2020 (Unaudited) HK\$
Other Revenue		
Interest income	<b>58,700</b>	42,567
HKSAR – ESS's Subsidy	–	184,500
Gain on disposed of a subsidiary	–	16
	<b>58,700</b>	227,083

## 6. Fair Value Gain/(Loss) on Financial Assets at Fair Value through Profit or Loss

	<b>Six months ended 30 June 2021 (Unaudited) HK\$</b>	Six months ended 30 June 2020 (Unaudited) HK\$
Fair value gain/(loss) on financial assets at fair value through profit and loss		
Realised		
– from listed shares in Hong Kong	<b>1,849,211</b>	(487,797)
Unrealised		
– from listed shares in Hong Kong	<b>3,127,726</b>	(22,110,846)
– from unlisted investment		
Diamond Motto Limited	–	664,000
廣州市金洋水產養殖有限公司	<b>(403,191)</b>	(2,282,540)
Star League Investments Limited	–	–
	<b>2,724,535</b>	(23,729,386)
	<b>4,573,746</b>	(24,217,183)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the six months ended 30 June 2021

## 7. Finance Costs

	<b>Six months ended 30 June 2021 (Unaudited) HK\$</b>	Six months ended 30 June 2020 (Unaudited) HK\$
Interest on lease liabilities	<b>35,773</b>	120,142

## 8. Profit/(loss) Before Taxation

	<b>Six months ended 30 June 2021 (Unaudited) HK\$</b>	Six months ended 30 June 2020 (Unaudited) HK\$
Profit/(Loss) before taxation is stated after charging the following:		
Depreciation of property, plant and equipment	–	31,323
Depreciation of right-of-use assets	–	2,109,328
Impairment loss on amount due from an investee	–	109,865
Staff cost (including directors' remuneration)		
– Salaries, bonuses and allowances	<b>1,592,600</b>	1,714,100
– Contribution on defined contribution mandatory provident fund scheme	<b>43,500</b>	53,775

## 9. Taxation

No provision for Hong Kong profits tax has been made as the tax losses brought forward from prior years exceeded the estimated assessable profits of the Group for the period ended 30 June 2020 and 30 June 2021.

Deferred tax liabilities recognised are analysed as follows:

	<b>Unrealised gain on financial assets at FVPL HK\$</b>
At 31 December 2020	926,274
At 31 December 2020 and 1 January 2021	926,274
Charge for the period	908,790
<b>At 30 June 2021</b>	<b>1,835,064</b>

## 10. Earnings/(Loss) Per Share

The calculation of the earnings per share for the six months ended 30 June 2021 is based on the Group's profit attributable to the equity holders of the Company of HK\$370,288 and the weighted average number of 2,279,400,000 ordinary shares in issue during the period. Loss per share for the six months ended 30 June 2020 is based on the Group's loss attributable to equity holders of the Company of HK\$30,321,308 and the weighted average number of 2,279,400,000 ordinary shares in issue during the prior period.

No diluted earnings per share is presented since the Group did not issue any dilutive potential ordinary shares during both periods presented.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the six months ended 30 June 2021

## 11. Dividend

The Directors do not recommend the payment of any interim dividend for both periods.  
(2020: HK\$Nil)

## 12. Financial Assets at Fair Value through Profit or Loss

	<b>30 June 2021 (Unaudited) HK\$</b>	31 December 2020 (Audited) HK\$
Equity securities listed in Hong Kong at fair value excluding		
Suspended Equity Securities	<b>86,731,770</b>	76,766,565
Suspended Equity Securities	<b>2,041,923</b>	2,303,703
	<b>88,773,693</b>	79,070,268
Unlisted equity securities, at fair value	<b>1,418,262</b>	3,324,651
	<b>90,191,955</b>	82,394,919

### a) Detail of Financial Assets at Fair Value through Profit or Loss

	<b>30 June 2021 (Unaudited) HK\$</b>	31 December 2020 (Audited) HK\$
Name of investee		
<b>Unlisted equity securities, at fair value</b>		
Diamond Motto Limited	–	1,503,198
廣州市金洋水產養殖有限公司	<b>1,418,262</b>	1,821,453
	<b>1,418,262</b>	3,324,651

## 12. Financial Assets at Fair Value through Profit or Loss (Continued)

### a) Detail of Financial Assets at Fair Value through Profit or Loss (Continued)

	30 June 2021 (Unaudited)		31 December 2020 (Audited)	
	Holding shares	HK\$	Holding shares	HK\$
UBA Investments Limited	4,172,000	271,180	8,132,000	284,620
Upbest Group Limited	33,812,000	28,402,080	33,812,000	30,430,800
Bank of China Limited	–	–	200,000	530,000
Gemilang International Limited	11,531,250	8,187,188	11,531,250	10,378,125
Kwong Man Kee Group Limited	29,793,000	12,810,990	29,961,000	14,381,280
PCCW Limited	260,000	1,058,200	227,000	1,060,090
Cathay Pacific Airways Limited	140,000	918,400	129,000	924,930
I-Control Holdings Limited	9,360,000	5,803,200	14,590,000	6,784,350
Bank of Communication Company Limited	710,000	3,706,200	500,000	2,050,000
China Literature Limited	–	–	200	12,170
Great Eagle Holdings Limited	20,000	528,000	20,000	426,000
Power Assets Holdings Limited	51,000	2,430,150	51,500	2,163,000
MTR Corporation Limited	106,000	4,584,500	100,000	4,335,000
Kwoon Chung Bus Holdings Limited	–	–	84,000	189,000
True Partner Capital Holding Limited	2,100,000	2,205,000	2,100,000	1,743,000
Pacific Century Premium Developments Limited	1,300,000	962,000	640,000	524,800
CK Asset Holdings Limited	–	–	3,000	119,400
Swire Pacific Limited	20,000	1,053,000	10,000	430,000
Hong Kong Exchange and Clearing Limited	500	231,400	–	–
China Construction Bank Corporation	420,000	2,566,200	–	–
Baidu, Inc.	300	59,820	–	–
Shen You Holdings Limited	16,852,711	10,954,262	–	–
Subtotal		86,731,770		76,766,565

## 12. Financial Assets at Fair Value through Profit or Loss (Continued)

### a) Detail of Financial Assets at Fair Value through Profit or Loss (Continued)

Details of the Suspended Equity Securities in Hong Kong are as follows:

	30 June 2021 (unaudited)		31 December 2020 (audited)	
	Holding shares	HK\$	Holding shares	HK\$
Ausupreme International Holdings Limited	6,520,000	2,041,923	6,520,000	2,303,703
Yi Hua Holdings Limited	20,000,000	-	20,000,000	-
Subtotal		2,041,923		2,303,703
Total		88,773,693		79,070,268

#### *Unlisted equity securities*

##### *廣州市金洋水產養殖有限公司 (“金洋水產”)*

金洋水產 is incorporated in The People’s Republic of China and is principally engaged in business of aquacultural and feed production during the period.

The Group holds 1.6% interest in 金洋水產. No dividend was received since January 2021.

## 13. Other Payables and Accruals

As at 30 June 2021, the other payables and accruals in current liabilities is the provision for reinstatement of HK\$1,715,865 (31 December 2020: HK\$1,715,865) for the office premise leased by the Group.



## 14. Share Capital

	Number of ordinary shares of HK\$0.01 each	HK\$
Authorised:		
At 1 January 2020 (unaudited), 31 December 2020 (audited), 1 January 2021 (unaudited) and 30 June 2021 (unaudited)	4,000,000,000	40,000,000
Issued and fully paid:		
At 1 January 2020 (unaudited), 31 December 2020 (audited), 1 January 2021 (unaudited) and 30 June 2021 (unaudited)	2,279,400,000	22,794,000

## 15. Leases

At 30 June 2021, the the present value of future lease payments are analysis as:

	<b>30 June 2021 (Unaudited) HK\$</b>	31 December 2020 (Audited) HK\$
Current liabilities	<b>298,543</b>	2,062,050
	<b>298,543</b>	2,062,050

## 16. Fair Values Measurement of Financial Instruments

### i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured as at 30 June 2021 and 31 December 2020 on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

## 16. Fair Values Measurement of Financial Instruments (Continued)

### i) Fair value hierarchy (Continued)

	Fair value measurements as at 30 June 2021 categorised into			Fair value
	Level 1	Level 2	Level 3	at 30 June 2021
	HK\$	HK\$	HK\$	HK\$
	(unaudited)			(unaudited)
Financial assets at fair value through profit or loss				
– listed equity securities	<b>86,731,770</b>	–	<b>2,041,923</b>	<b>88,773,693</b>
– unlisted equity securities	–	–	<b>1,418,262</b>	<b>1,418,262</b>
	<b>86,731,770</b>	–	<b>3,460,185</b>	<b>90,191,955</b>

## 16. Fair Values Measurement of Financial Instruments (Continued)

### i) Fair value hierarchy (Continued)

	Fair value measurements as			Fair
	at 31 December 2020 categorised into			value at
	Level 1	Level 2	Level 3	31 December
	HK\$	HK\$	HK\$	2020
		(Audited)		(Audited)
Financial assets at FVPL				
Listed equity securities	76,766,565	–	2,303,703	79,070,268
Unlisted equity securities	–	–	1,821,453	1,821,453
Unlisted equity securities with a put option	–	–	1,503,198	1,503,198
	76,766,565	–	5,628,354	82,394,919

The fair value of financial instruments traded in active markets is based on quoted market prices for identical instruments at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1. The Group adopted HKFRS 13 and use closing price as the valuation basis for listed equity investments.

## 16. Fair Values Measurement of Financial Instruments (Continued)

### i) Fair value hierarchy (Continued)

Unlisted equity securities are stated at their fair value, which are determined by reference to the valuation in accordance with generally accepted valuation methodologies.

The valuation techniques and inputs used in the fair value measurements within Level 3 is as follows:

Financial assets	30 June 2021 (Unaudited) HK\$	31 December 2020 (Audited) HK\$	Fair value heavily	Valuation technique and key inputs	Significant unobservable inputs in 2021	Significant unobservable inputs in 2020	Sensitivity of fair value to the input
Unlisted equity securities	1,418,262	1,821,453	Level 3	Market approach – Guideline Publicly Traded Company Method	Price-to-earnings ("P/E") multiples: 18.89x	Price-to-earnings ("P/E") multiples: 15.08x	The higher the multiple, the higher the fair value
					Enterprise value-to-sales ("EV/S") multiples: 0.8x	Enterprise value-to-sales ("EV/S") multiples: 1.13x	The higher the multiple, the higher the fair value
					Discount for lack of marketability ("DLOM"): 27%	Discount for lack of marketability ("DLOM"): 31%	The higher the discount rate, the lower the fair value

## 16. Fair Values Measurement of Financial Instruments (Continued)

### i) Fair value hierarchy (Continued)

Financial assets	30 June 2021 (Unaudited) HK\$	31 December 2020 (Audited) HK\$	Fair value hearily	Valuation technique and key inputs	Significant unobservable inputs in 2021	Significant unobservable inputs in 2020	Sensitivity of fair value to the input
Listed equity securities							
- Suspended Equity Securities	2,041,923	2,303,703	Level 3	Market approach - Guideline Publicly Traded Company Method	EVS multiples: 2.4x  DLOM: 33.4%	EVS multiples: 2.3x  DLOM: 33.4%	The higher the multiple, the higher the fair value  The higher the discount rate, the lower the fair value
- Suspended Equity Securities	-	-	Level 3	Market approach - Guideline Publicly Traded Company Method	Price to book value ("P/B") multiples: 0.17x  DLOM: 33.4%	Price to book value ("P/B") multiples: 0.17x  DLOM: 33.4%	N/A (Note 1)

*Note 1:* As the Suspended Equity Securities is at net liabilities position, any change in unobservable inputs will not change in fair value of such Suspended Equity Securities.

During the six months ended 30 June 2021 and the year ended 31 December 2020, there were no transfer of fair value measurements between levels of fair value hierarchy.

## **16. Fair Values Measurement of Financial Instruments (Continued)**

### **ii) Fair values of financial instruments carried at other than fair value**

The carrying amounts of the Group's other financial instruments carried at costs are not materially different from their fair values as at 30 June 2021 and 31 December 2020.

## **17. Commitments**

As at 30 June 2021, the Group has no material capital commitment and no contingent liabilities.