

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

**Suncorp**  
**SunCorp Technologies Limited**  
*(Incorporated in Bermuda with limited liability)*  
 (Stock Code: 1063)

**ANNOUNCEMENT OF FINAL RESULTS  
 FOR THE YEAR ENDED 31 DECEMBER 2020**

The board of directors (the “**Board**” or “**Directors**”) of SunCorp Technologies Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2020, together with the comparative figures for the corresponding year ended 31 December 2019, as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the year ended 31 December 2020*

	<i>Note</i>	<b>2020</b> <b>HK\$'000</b>	2019 <i>HK\$'000</i>
<b>Revenue</b>	<b>4</b>	<b>173,692</b>	202,546
Costs of sales		<b>(148,104)</b>	(177,175)
<b>Gross profit</b>		<b>25,588</b>	25,371
Other income	<b>5</b>	<b>856</b>	4
Distribution and selling expenses		<b>(443)</b>	(1,823)
Operating expenses		<b>(18,275)</b>	(43,113)
Provision for expected credit losses (“ <b>ECL</b> ”) on trade, other and loan receivables, net		<b>(88,031)</b>	(7,355)
Unrealised gain/(loss) on financial assets at fair value through profit or loss (“ <b>FVTPL</b> ”)		<b>10,574</b>	(14,821)
Realised loss on financial assets at FVTPL		<b>(431)</b>	(527)
<b>Loss from operation</b>		<b>(70,162)</b>	(42,264)
Finance costs	<b>7</b>	<b>(188)</b>	(262)
<b>Loss before tax</b>		<b>(70,350)</b>	(42,526)
Income tax credit/(expense)	<b>8</b>	<b>243</b>	(240)
<b>Loss for the year attributable to the owners of the Company</b>	<b>9</b>	<b>(70,107)</b>	(42,766)

	<i>Note</i>	<b>2020</b> <b><i>HK\$'000</i></b>	2019 <i>HK\$'000</i>
<b>Other comprehensive income</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		<u>2</u>	<u>(203)</u>
<b>Loss and total comprehensive income for the year attributable to the owners of the Company</b>		<u><b>(70,105)</b></u>	<u><b>(42,969)</b></u>
			(Restated)
<b>Loss per share (HK cents)</b>	<i>11</i>		
– Basic		<u><b>(8.52)</b></u>	<u><b>(5.62)</b></u>
– Diluted		<u><b>N/A</b></u>	<u><b>N/A</b></u>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*At 31 December 2020*

	<i>Note</i>	<b>2020</b> <i>HK\$'000</i>	2019 <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		5	79
Deposits		205	205
Deferred tax assets		979	979
		<u>1,189</u>	<u>1,263</u>
<b>Current assets</b>			
Trade and other receivables	12	40,919	47,662
Loan receivables	13	168,595	237,390
Financial assets at FVTPL		61,050	39,880
Tax recoverable		165	–
Cash and bank balances			
– Segregated accounts		5,620	8,532
– House accounts		21,615	30,174
		<u>297,964</u>	<u>363,638</u>
<b>Current liabilities</b>			
Trade and other payables	14	39,862	53,047
Lease liabilities	15	675	2,251
Bank loan		3,584	181
Current tax liabilities		–	15
		<u>44,121</u>	<u>55,494</u>
<b>Net current assets</b>		<u>253,843</u>	<u>308,144</u>
<b>Total assets less current liabilities</b>		<u>255,032</u>	<u>309,407</u>
<b>Non-current liabilities</b>			
Lease liabilities		–	482
<b>Net assets</b>		<u>255,032</u>	<u>308,925</u>
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital	16	5,477	4,564
Reserves		249,555	304,361
<b>Total equity</b>		<u>255,032</u>	<u>308,925</u>

## Notes:

### 1. GENERAL

SunCorp Technologies Limited (the “**Company**”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act of Bermuda. The addresses of the registered office and principal place of business of the Company are Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and 35/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong, respectively. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company is an investment holding company. The Group is principally engaged in sales of telephones and related products, processing and trading of used computer-related components, provision of securities brokerage, placing and underwriting services, money lending service and B2B cross-border e-commerce.

### 2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

### 3. ADOPTION OF NEW AND REVISED HKFRSs

#### (a) Application of new and revised HKFRSs

The Group has applied the Conceptual Framework for Financial Reporting 2018 and the following amendments to HKFRSs issued by the 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

In addition, the Group has early applied the Amendments to HKFRS 16, COVID-19 Related Rent Concessions.

Except as described below, the application of the Conceptual Framework for Financial Reporting 2018 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.

### ***Amendment to HKFRS 16, COVID-19-Related Rent Concessions***

The amendment provides a practical expedient that allows a lessee to by-pass the need to evaluate whether certain qualifying rent concessions occurring as a direct consequence of the COVID-19 pandemic (“COVID-19 Related Rent Concessions”) are lease modifications and, instead, account for those rent concessions as if they were not lease modifications.

The Group has elected to early adopt the amendments and applies the practical expedient to all qualifying COVID-19 Related Rent Concessions granted to the Group during the year. Consequently, rent concessions received have been accounted for as negative variable lease payments recognised in profit or loss in the period in which the event or condition that triggers those payments occurred. There is no impact on the opening balance of equity at 1 January 2020.

#### **(b) New and revised HKFRSs in issue but not yet effective**

Other than the amendments to HKFRS 16, COVID-19 Related Rent Concessions, the Group has not early applied any new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2020. These new and revised HKFRSs include the following which may be relevant to the Group.

	<b>Effective for accounting periods beginning on or after</b>
Amendments to HKFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to HKAS 16 Property, plant and equipment: proceeds before intended use	1 January 2022
Amendments to HKAS 37 Onerous contracts – cost of fulfilling a contract	1 January 2022
Annual Improvements to HKFRSs 2018 – 2020 Cycle	1 January 2022
Amendments to HKAS 1 Classification of liabilities as current or non-current	1 January 2023
Hong Kong Interpretation 5 (2020) Presentation of financial statements – classification by the borrower of a term loan that contains a repayment on demand clause	1 January 2023

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements

#### 4. REVENUE

##### Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service line for the year is as follows:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
<b>Revenue from contracts with customers within the scope of HKFRS 15:</b>		
Disaggregated by major products or service lines		
Sales of telephones and related components	29,120	78,292
Processing and trading of used computer-related components	40,974	38,497
Commission from securities dealing and brokerage services	93	62
Commission from placing and underwriting service	913	–
B2B cross-border e-commerce	81,742	65,948
	<u>152,842</u>	<u>182,799</u>
<b>Revenue from other sources:</b>		
Money lending services	20,657	19,723
Interest and related income from securities	193	24
	<u>20,850</u>	<u>19,747</u>
Total revenue	<u><u>173,692</u></u>	<u><u>202,546</u></u>

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product line and geographical regions:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
<b>Timing of revenue recognition:</b>		
At a point in time	<u><u>152,842</u></u>	<u><u>182,799</u></u>
<b>Geographical market:</b>		
People's Republic of China ("PRC") (including Hong Kong)	91,810	72,144
Australia	–	1,890
India	3,015	12,539
Indonesia	21,972	16,992
Korea	6,170	18,576
Spain	5,235	13,324
United States of America ("USA")	8,284	8,067
Others	16,356	39,267
	<u><u>152,842</u></u>	<u><u>182,799</u></u>

## 5. OTHER INCOME

	2020 HK\$'000	2019 HK\$'000
Bank interest income	–	2
Sundry income	–	2
Government grant ( <i>note</i> )	856	–
	<u>856</u>	<u>4</u>

*note:* The amount mainly represents the receipts from Employment Support Scheme provided by the Hong Kong government. The conditions of the government grant were fulfilled during the year.

## 6. SEGMENT INFORMATION

The executive directors of the Company are identified as the chief operating decision maker of the Group for the purpose of resources allocation and performance assessments.

The Group has five operating segments as follows:

- (i) Sales of telephones and related components;
- (ii) Processing and trading of used computer-related components;
- (iii) Money lending services;
- (iv) Provision of securities brokerage, placing and underwriting services; and
- (vi) B2B cross-border e-commerce.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies. The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profits or losses do not include realised and unrealised gains and losses on financial assets at FVTPL and unallocated administrative expenses, finance costs and income tax expense. Segment assets do not include financial assets at FVTPL and other unallocated corporate assets. Segment liabilities do not include tax payables and other unallocated corporate liabilities.

## Information about operating segment profit or loss, assets and liabilities

	Telephones and related components <i>HK\$'000</i>	Used computer- related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	B2B cross-border e-commerce <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>For the year ended 31 December 2020</b>						
Revenue	29,120	40,974	20,657	1,199	81,742	173,692
Segment (loss)/profit	<u>(1,681)</u>	<u>344</u>	<u>(67,253)</u>	<u>(1,394)</u>	<u>(1,230)</u>	<u>(71,214)</u>
Unrealised gain on financial assets at FVTPL						10,574
Realised loss on financial assets at FVTPL						(431)
Unallocated expenses						(9,091)
Finance costs						<u>(188)</u>
Loss before tax						<u>(70,350)</u>
<b>As at 31 December 2020</b>						
Segment assets	769	12,532	170,880	22,043	23,440	229,664
Unallocated assets						<u>69,489</u>
						<u>299,153</u>
Segment liabilities	(28,489)	(4,118)	(20)	(5,718)	(77)	(38,422)
Unallocated liabilities						<u>(5,699)</u>
						<u>(44,121)</u>



**Information about operating segment profit or loss, assets and liabilities (continued)**

	Telephones and related components <i>HK\$'000</i>	Used computer- related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	B2B cross-border e-commerce <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the year ended 31 December 2019						
Revenue	78,292	38,497	19,723	86	65,948	202,546
Segment (loss)/profit	<u>(1,233)</u>	<u>56</u>	<u>(2,138)</u>	<u>(4,678)</u>	<u>(542)</u>	<u>(8,535)</u>
Unrealised loss on financial assets at FVTPL						(14,821)
Realised loss on financial assets at FVTPL						(527)
Unallocated expenses						(18,381)
Finance costs						<u>(262)</u>
Loss before tax						<u>(42,526)</u>
As at 31 December 2019						
Segment assets	13,828	8,353	238,423	29,473	20,473	310,550
Unallocated assets						<u>54,351</u>
						<u>364,901</u>
Segment liabilities	(39,752)	(260)	(20)	(8,624)	(61)	(48,717)
Unallocated liabilities						<u>(7,259)</u>
						<u>(55,976)</u>

## Other segment information

### For the year ended 31 December 2020

	Telephones and related components <i>HK\$'000</i>	Used computer- related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	B2B cross-border e-commerce <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
<i>Amounts included in the measure of segment profit or loss:</i>							
Depreciation of property, plant and equipment	-	-	-	25	-	-	25
Unrealised gain on financial assets at FVTPL	-	-	-	-	-	(10,574)	(10,574)
Realised loss on financial assets at FVTPL	-	-	-	-	-	431	431
Provision for ECL on loan receivables	-	-	87,752	-	-	-	87,752
Provision for/(reversal of) ECL on trade receivables	(127)	26	-	64	446	-	409
Reversal of ECL on other receivables	(130)	-	-	-	-	-	(130)
Loss on disposal of property, plant and equipment	-	-	-	49	-	-	49
Share-based payment expense	-	-	-	-	-	2,520	2,520

### For the year ended 31 December 2019

	Telephones and related components <i>HK\$'000</i>	Used computer- related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	B2B cross-border e-commerce <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
<i>Amounts included in the measure of segment profit or loss:</i>							
Depreciation of property, plant and equipment	-	-	-	71	-	-	71
Unrealised loss on financial assets at FVTPL	-	-	-	-	-	14,821	14,821
Realised loss on financial assets at FVTPL	-	-	-	-	-	527	527
Provision for ECL on loan receivables	-	-	6,541	-	-	-	6,541
Provision for/(reversal of) ECL on trade receivables	399	(88)	-	-	66	-	377
Provision for/(reversal of) ECL on other receivables	452	(16)	-	-	1	-	437
Share-based payment expense	-	-	-	-	-	17,031	17,031

## Geographical information

The Group's revenue from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	Revenue from external customers		Non-current assets	
	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
PRC (including Hong Kong)	112,660	91,891	5	79
Australia	—	1,890	—	—
India	3,015	12,539	—	—
Indonesia	21,972	16,992	—	—
Korea	6,170	18,576	—	—
Spain	5,235	13,324	—	—
USA	8,284	8,067	—	—
Others	16,356	39,267	—	—
	<u>173,692</u>	<u>202,546</u>	<u>5</u>	<u>79</u>

*Note:* Non-current assets excluded financial instruments and deferred tax assets.

## Revenue from major customers

Revenues from customers of corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Customer A ( <i>note</i> )	28,044	10,167
Customer B ( <i>note</i> )	<u>53,698</u>	<u>37,030</u>

*Note:* Revenue from B2B cross-border e-commerce.

## 7. FINANCE COSTS

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Interest on lease liabilities	98	229
Interest on bank loan	90	33
	<u>188</u>	<u>262</u>

## 8. INCOME TAX (CREDIT)/EXPENSE

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Current tax – Hong Kong Profits Tax		
(Over)/under-provision in prior years	(243)	59
Deferred tax	–	181
	<u>(243)</u>	<u>240</u>

For the years ended 31 December 2020 and 2019, Hong Kong Profits Tax has not been provided in the consolidated financial statements as the Group's Hong Kong subsidiaries either did not have assessable profit or had sufficient tax losses brought forward to offset against current year's assessable profits.

For the years ended 31 December 2020 and 2019, under the two-tiered profits tax regime, profits tax rate for the first HK\$2 million of assessable profits of qualifying corporations established in Hong Kong will be lowered to 8.25%, and profits above that amount will be subject to the tax rate of 16.5%.

No provision for PRC Enterprise Income Tax has been made for the years ended 31 December 2020 and 2019 as the Group's PRC subsidiary did not generate any assessable profits during the years.

The reconciliation between the income tax expense and the product of loss before tax multiplied by the Hong Kong Profits Tax rate is as follows:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Loss before tax	<u>(70,350)</u>	<u>(42,526)</u>
Tax at the domestic income tax rate of 16.5% (2019: 16.5%)	(11,608)	(7,017)
Tax effect of expenses not deductible for tax purpose	619	5,938
Tax effect of income not taxable for tax purpose	(1,816)	(1)
Tax effect of tax losses not recognised	14,505	1,532
Tax effect of temporary difference not recognised	(23)	(165)
Tax effect of utilisation of tax losses not previously recognised	(1,677)	(43)
Effect of different tax rates of PRC subsidiary	–	(63)
(Over)/under-provision in prior years	<u>(243)</u>	<u>59</u>
Tax (credit)/charge for the year	<u>(243)</u>	<u>240</u>

## 9. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging/(crediting) the following:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Directors' emoluments	2,253	2,009
Other staff costs	<u>7,040</u>	<u>6,791</u>
Total directors' remuneration and other staff costs ( <i>note</i> )	<u>9,293</u>	<u>8,800</u>
Auditors' remuneration	600	600
Cost of goods sold and services recognised as an expense	148,104	177,175
Depreciation of property, plant and equipment	25	71
Equity-settled share-based payments ( <i>note</i> )	2,520	17,031
Provision for ECL on trade receivables	409	377
(Reversal of)/provision for ECL on other receivables	(130)	437
Provision for ECL on loan receivables	87,752	6,541
Expenses related to short term lease	291	–
COVID-19 related rent concessions received	(67)	–
Loss on disposal of property, plant and equipment	49	–
Net foreign exchange losses	<u>44</u>	<u>235</u>

*Note:*

Equity-settled share-based payments of approximately HK\$1,044,000 (2019: Nil) and HK\$1,476,000 (2019: approximately HK\$21,000) were included in directors' emoluments and other staff costs respectively.

## 10. DIVIDENDS

No dividend was paid or proposed during the year ended 31 December 2020, nor has any dividend been proposed since the end of the reporting period (2019: Nil).

## 11. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
<b>Loss</b>		
Loss for the year attributable to owners of the Company for the purpose of basic loss per share	<u>(70,107)</u>	<u>(42,766)</u>
	2020 <i>'000</i>	2019 <i>'000</i> (Restated)
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>822,727</u>	<u>760,787</u>

For the purpose of calculation of basic loss per share for the years ended 31 December 2020 and 2019, the share consolidation of the Company being effective on 26 March 2020 was deemed to be effective throughout the years ended 31 December 2020 and 2019. Accordingly, the weighted average number of ordinary shares of the Company in issue during the year ended 31 December 2019 were adjusted to reflect the share consolidation.

No diluted loss per share is presented for the years ended 31 December 2020 and 2019 as the share options did not have any dilutive effect and was not included in the calculation of diluted loss per share.

## 12. TRADE AND OTHER RECEIVABLES

	Note	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Trade receivables arising from the ordinary course of business of dealing in securities transactions:			
– Cash clients	(a)	2,353	228
Less: Allowance for ECL		<u>(64)</u>	<u>–</u>
		<u>2,289</u>	<u>228</u>
Trade receivables from other ordinary course of business, other than business of dealing in securities transactions	(b)	27,288	33,484
Less: Allowance for ECL		<u>(1,388)</u>	<u>(1,043)</u>
		<u>25,900</u>	<u>32,441</u>
Deposits in brokerage firms		4,432	9,513
Deposits, prepayments and other receivables	(c)	8,634	5,946
Less: Allowance for ECL		<u>(336)</u>	<u>(466)</u>
		<u>12,730</u>	<u>14,993</u>
Total trade and other receivables		<u>40,919</u>	<u>47,662</u>

(a) **Trade receivables arising from the business of dealing in securities**

The Group seeks to maintain tight control over its outstanding trade receivables and has procedures and policies to assess its clients' credit quality and defines credit limits for each client. All client acceptances and credit limit are approved by designated approvers according to the clients' credit worthiness.

The normal settlement terms of trade receivables from clients and clearing house arising from the ordinary course of business of securities brokerage services are two trading days after the trade date.

The ageing analysis of trade receivables arising from the ordinary course of business of dealing in securities transactions, based on trade date, and net of allowance, is as follows:

	<b>2020</b> <b>HK\$'000</b>	2019 HK\$'000
0-30 days	<b>83</b>	–
Over 90 days	<b>2,206</b>	228
	<b>2,289</b>	228

Trade receivables due from cash clients are secured by clients' securities, which are publicly traded equity securities listed in Hong Kong. The fair values of the securities as at 31 December 2020 were approximately HK\$19,925,000 (2019: HK\$7,298,500). As at 31 December 2020 and 2019, all balances were secured by sufficient collateral on an individual basis. Cash client receivables which were past due but not impaired bear interest at interest rates by reference to Hong Kong prime rate plus certain basis points based on management's discretion.

In addition, the Group has a policy for determining the allowance for impairment of trade receivables without sufficient collateral based on the evaluation of collectability and ageing analysis of accounts and on management's judgement including the creditworthiness, collateral and the past collection history of each client.

In determining the recoverability of the trade receivables, the Group considers any change in the credit quality of the trade receivables from the date the credit was initially granted up to the reporting date and the fair values of the collateral held.

The carrying amount of the Group's trade receivables arising from the business of dealing in securities are denominated in HK\$.

**(b) Trade receivables arising from other businesses**

The Group allows a credit period from 30 to 90 days to its customers. The ageing analysis of trade receivables arising from other course of business other than business of dealing in securities transactions, based on invoice date, and net of allowance, is as follows:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
0 – 30 days	9,916	12,680
31 – 60 days	1,661	5,314
61 – 90 days	9,994	6,550
Over 90 days	4,329	7,897
	<u>25,900</u>	<u>32,441</u>

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limits attributed to customers are reviewed twice a year.

The carrying amount of the Group's trade receivables arising from other business are denominated in US\$.

- (c) Amount due from a subsidiary's director of approximately HK\$5,462,000 (2019: HK\$2,020,000) was included in the deposits, prepayments and other receivables. The amount due is unsecured, interest-free and repayable on demand.



### 13. LOAN RECEIVABLES

The ageing analysis of loan receivables based on the remaining contractual maturity date:

	<b>2020</b> <b>HK\$'000</b>	2019 HK\$'000
0 – 90 days	<b>157,023</b>	18,048
91 – 180 days	<b>50,267</b>	35,294
181 – 365 days	<b>62,239</b>	66,132
Over 365 days	<b>–</b>	131,098
	<hr/>	<hr/>
	<b>269,529</b>	250,572
Less: Allowance for ECL	<b>(100,934)</b>	(13,182)
	<hr/>	<hr/>
	<b>168,595</b>	237,390
	<hr/> <hr/>	<hr/> <hr/>

The Group's loan receivables arose from the money lending business.

The loan receivables are repayable in accordance with the terms of the loan agreements and all loan receivables are recoverable within 1 to 2 years (2019: 1 to 2 years).

The Group's loan receivables contain clauses which reserved the right at sole discretion to demand immediate repayment at any time irrespective of whether the borrowers have complied with the covenants and met the scheduled repayment obligations.

As at 31 December 2020, the Group's loan receivables are denominated in HK\$ and carried at fixed effective interest rate ranging from 8% to 10% (2019: 8% to 10%) per annum and with the terms of 1 to 2 years (2019: 1 to 2 years).

#### 14. TRADE AND OTHER PAYABLES

	<i>Note</i>	<b>2020</b> <b>HK\$'000</b>	2019 <i>HK\$'000</i>
Trade payables arising from the ordinary course of business of dealing in securities transactions:			
– Cash clients	(a)	<b>5,616</b>	8,532
Trade payables from purchase of goods arising from other ordinary course of business, other than business of dealing in securities transactions	(b)	<b>26,545</b>	35,477
Other payables and accrued expenses	(c)	<b>7,701</b>	9,038
		<b>39,862</b>	53,047

##### (a) Trade payables arising from the business of dealing in securities

The trade payables balances arising from the ordinary course of business of securities brokerage services are normally settled in two trading days after the trade date except for the money held on behalf of clients at the segregated bank accounts which are repayable on demand. No ageing analysis is disclosed as, in the opinion of the directors of the Company, an ageing analysis does not give additional value in view of the nature of this business.

The carrying amount of the Group's trade payables arising from the business of dealing in securities are denominated in HK\$.

##### (b) Trade payables arising from other businesses

The ageing analysis of trade payables, based on the invoice date, is as follows:

	<b>2020</b> <b>HK\$'000</b>	2019 <i>HK\$'000</i>
0 – 30 days	<b>814</b>	10,429
31 – 60 days	–	6,143
61 – 90 days	<b>146</b>	4,443
Over 90 days	<b>25,585</b>	14,462
	<b>26,545</b>	35,477

The credit period on purchase of goods ranges from 30 to 60 days.

The carrying amount of the Group's trade payable arising from other business are denominated in US\$.

- (c) Amount due to a securities broker of approximately HK\$968,000 (2019: Nil) was included in other payables and accrued expenses, bearing interest at 8.5% (2019: Nil) per annum and repayable on demand.

## 15. LEASE LIABILITIES

	Minimum lease payments		Present value of minimum lease payments	
	2020 HK\$'000	2019 HK\$'000	2020 HK\$'000	2019 HK\$'000
Within one year	682	2,351	675	2,251
In the second to fifth years, inclusive	—	487	—	482
	<u>682</u>	<u>2,838</u>	<u>675</u>	<u>2,733</u>
Less: Future finance charges	(7)	(105)	N/A	N/A
	<u>675</u>	<u>2,733</u>	<u>675</u>	<u>2,733</u>
Present value of lease obligations				
Less: Amount due for settlement within 12 months (shown under current liabilities)			(675)	(2,251)
Amount due for settlement after 12 months			<u>—</u>	<u>482</u>

All lease liabilities are denominated in HK\$.

The incremental borrowing rates applied to lease liabilities is 6.03% (2019: 6.03%).

The lease agreements 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. For both years, the Group leases an office for its operations. Lease contracts are entered into for fixed term of 3 years (2019: 3 years) with no extension or termination options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

## 16. SHARE CAPITAL

	2020		2019	
	Number of ordinary shares '000	Amount HK\$'000	Number of ordinary shares '000	Amount HK\$'000
<b>Authorised:</b>				
At 1 January, ordinary share of HK\$0.0003	2,000,000,000	600,000	2,000,000,000	600,000
Share consolidation ( <i>note i</i> )	(1,900,000,000)	–	–	–
At 31 December, ordinary share of HK\$0.006	<u>100,000,000</u>	<u>600,000</u>	<u>2,000,000,000</u>	<u>600,000</u>
<b>Issued and fully paid:</b>				
At 1 January, ordinary share of HK\$0.0003	15,215,731	4,564	15,215,731	4,564
Share consolidation ( <i>note i</i> )	(14,454,944)	–	–	–
Placing of shares ( <i>note ii</i> )	<u>152,150</u>	<u>913</u>	<u>–</u>	<u>–</u>
At 31 December, ordinary share of HK\$0.006	<u>912,937</u>	<u>5,477</u>	<u>15,215,731</u>	<u>4,564</u>

notes:

- (i) Pursuant to ordinary resolution passed by shareholders at extraordinary meeting of the Company on 24 March 2020, the Company effected the consolidation of the issued and unissued ordinary shares of the Company on the basis that every 20 ordinary shares of HK\$0.0003 each into one ordinary share of HK\$0.006 each on 26 March 2020. Details of the consolidation of ordinary shares are set out in the Company's announcements dated 6 March 2020 and 24 March 2020.
- (ii) On 5 August 2020, the Company and the placing agent entered into the placing agreement pursuant to which the placing agent has conditionally agreed to place, on a best effort basis, to not less than six placees, for up to 152,150,000 placing shares at the placing price of HK\$0.09 per placing share (the "Placing"). The placing of new shares was completed on 25 August 2020. The net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing amounted to approximately HK\$13.7 million.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

The Group reviews the capital structure frequently by considering the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts, redemption of existing debts or selling assets to reduce debts.

The externally imposed capital requirements for the Group are: (i) in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares; (ii) to meet financial covenants attached to the interest-bearing borrowings; and (iii) minimum capital and liquid capital requirements by the Securities and Futures Commission of Hong Kong.

During the years ended 31 December 2020 and 2019, the Group complied with the above liquid capital requirements.

The Group receives a report from the share registrars monthly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit throughout the years ended 31 December 2020 and 2019.

Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowing for the years ended 31 December 2020 and 2019.

## DIRECTOR'S STATEMENT

On behalf of the board of directors (the “**Board**” or the “**Directors**”) of SunCorp Technologies Limited (the “**Company**”), I present to you the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2020.

## BUSINESS REVIEW

During the year of review, the Group mainly engaged in (i) the sales and marketing of residential telephones and related products; (ii) the processing and trading of used computer-related components business; (iii) the money lending business; (iv) the securities brokerage, placing and underwriting business and (v) the B2B cross-border e-commerce business.

For the year ended 31 December 2020, the Group's revenue amounted to approximately HK\$173.7 million, representing a decrease of approximately 14.2% as compared with the revenue of approximately HK\$202.5 million in 2019. In relation to the Group's revenue, approximately 16.8% resulted from sales of telephone and related products, approximately 23.6% resulted from the processing and trading of used computer-related components, approximately 11.9% resulted from interest income earned from money lending business, approximately 0.6% contributed from securities brokerage, placing and underwriting business and approximately 47.1% contributed by B2B cross-border e-commerce business.

Gross profit from operation for the year under review was approximately HK\$25.6 million, representing a mild increase of approximately 0.9% as compared with the gross profit of approximately HK\$25.4 million in 2019. The Group's net loss for the year was approximately HK\$70.1 million, which was mainly due to the provision for expected credit losses (“**ECL**”) on trade, other and loan receivables of approximately HK\$88.0 million recognised during 2020.

As at 31 December 2020, the gross amount of loan portfolio held by the Group was approximately HK\$269.5 million and interest income earned from money lending business was approximately HK\$20.7 million for the year ended 31 December 2020.

## OUTLOOK AND PROSPECT

In view of the highly unpredictable business environment, we are evaluating different business segments within the Group and reposition our strategy and business operation in more optimistic business segments. For the year 31 December 2020, the revenue derived from our B2B cross-border e-commerce segment has expanded by approximately 23.9% from approximately HK\$65.9 million to approximately HK\$81.7 million as compared to the year 2019. The outbreak of COVID-19 has led to more e-commerce business activities. On the other hand, the Board expects that the future development in sales of residential telephones and related products will be limited and the market will be declined due to the evolution of technology and the change in consumer behaviours. Therefore, we will continue to deploy more resources to the e-commerce business in the future.

The Group will continue to seek potential investment and business opportunities for broadening its income stream and further development of the existing business segments.

## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW

For the year ended 31 December 2020, the Group recorded a revenue of approximately HK\$173.7 million which represented a decrease of approximately 14.2% as compared to the corresponding figure for the year ended 31 December 2019.

The gross profit for the year under review was approximately HK\$25.6 million as compared to approximately HK\$25.4 million for the previous year.

During the year, the B2B cross-border e-commerce business continued to contribute a significant percentage to our revenue. We are optimistic about this business segment and will continue to deploy more resources to capture more market opportunities as and when appropriate. On the other hand, the sales and marketing of electronic equipment and related products was still an important source of income of the Group. In addition, the financial arm of the Group comprising of securities brokerage, placing and underwriting business and money lending business also contributed to the revenue of the Group during the year. The revenue, the gross profit and net loss for each business segment for the year ended 31 December 2020 are set out as below:

	Telephones and related equipment <i>HK\$'000</i>	Used computer- related components <i>HK\$'000</i>	Provision of securities brokerage, placing and underwriting services <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	B2B cross-border e-commerce <i>HK\$'000</i>
Revenue	29,120	40,974	1,199	20,657	81,742
Gross profit	61	1,882	1,159	20,657	1,829
Net (loss)/profit	(1,681)	344	(1,394)	(67,253)	(1,230)

## LIQUIDITY AND FINANCIAL RESOURCES

	2020	2019
Current ratio	<b>6.75</b>	6.55
Gearing ratio (defined as the total borrowings divided by total equity)	<b>0.014</b>	0.0006

As at 31 December 2020, the Group had cash on hand of approximately HK\$21.6 million, net current assets of approximately HK\$253.8 million, total assets of approximately HK\$299.2 million and shareholders' equity of approximately HK\$255.0 million.

The Group generally financed its operations through internally-generated cash flows and Shareholders' equity.

## CAPITAL STRUCTURE

### Authorised share capital

The authorised share capital of the Company was HK\$600,000,000 divided into 1,000,000,000,000 shares of HK\$0.006 each upon the share consolidation of the Company with effect from 26 March 2020 in which every 20 shares had been consolidated into 1 share.

### Issued share capital

As at 1 January 2020, the issued share capital of the Company was HK\$4,564,719 divided into 15,215,731,320 shares of HK\$0.0003 each.

With effect from the completion of the share consolidation on 26 March 2020, the issued share capital of the Company was changed from HK\$4,564,719 divided into 15,215,731,320 shares of HK\$0.0003 each to HK\$4,564,719 divided into 760,786,566 shares of HK\$0.006 each.

On 25 August 2020, the Company had placed 152,150,000 new shares at placing price of HK\$0.09 per placing share.

As at 31 December 2020, the issued share capital of the Company was HK\$5,477,619 divided into 912,936,566 shares of HK\$0.006 each.

## EXCHANGE RATE

Most of sales in the current year were denominated in United States dollars, whilst the majority of the Group's expenses were denominated in United States dollars, Renminbi and Hong Kong dollars. Although the Group currently does not maintain any hedging policy to hedge against foreign exchange exposure that may arise from the above transactions, the management team continuously assesses the foreign currency exposure, with an aim to minimize the impact of foreign exchange fluctuation on the Group's business operations.



## RAISING OF FUNDS AND USE OF PROCEEDS

On 5 August 2020, the Company entered into a placing agreement pursuant to which the Company has conditionally agreed to place through the placing agent, an indirect wholly-owned subsidiary of the Company, on a best effort basis, up to 152,150,000 placing shares at the placing price of HK\$0.09 per placing share to not less than six placees who and whose beneficial owners are independent third parties (the “**Placing**”). The placing shares were allotted and issued pursuant to the General Mandate.

The Placing was completed on 25 August 2020. The net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing amounted to approximately HK\$13.7 million. The net proceeds were intended to be used as the general working capital of the Group and for improving the cash position of the Group.

Up to the date of this announcement, the Group had fully utilized the entire amount of the net proceeds as intended.

## SIGNIFICANT INVESTMENTS

As at 31 December 2020, total market value for the financial assets at fair value through profit or loss of the Group was approximately HK\$61.1 million (2019: approximately HK\$39.9 million). The Board considers that the investments with market value accounting for more than 5% of the Group’s total assets as at 31 December 2020 as significant investments.

For the year ended 31 December 2020, the Group recognised unrealized gain on financial assets at fair value through profit or loss of approximately HK\$10.6 million (for the year ended 31 December 2019: unrealized loss of approximately HK\$14.8 million). For the year ended 31 December 2020, the Group recognised realized loss on financial assets at fair value through profit or loss of approximately HK\$0.4 million (2019: realized loss of approximately HK\$0.5 million).

Detail of the top financial assets at fair value through profit or loss, in terms of market value as at 31 December 2020 are as follows:

Company name	As at 31 December 2020			For the year ended 31 December 2020		
	Number of shares held	Proportion to the total issued share capital for the stocks	Market value <i>HK\$’000</i>	Proportion to the total assets of the Group	Unrealised fair value gain on the investments <i>HK\$’000</i>	Dividends received <i>HK\$’000</i>
AMCO United Holding Limited (“AMCO”)	49,520,000	2.05%	12,182	4.07%	7,725	–

AMCO is a company listed in Hong Kong in which it and its subsidiaries are principally engaged in (i) manufacture and sale of medical devices products; (ii) manufacture and sale of plastic moulding products; (iii) provision of construction services in building construction, building maintenance and improvement works, project management, renovation and decoration works; (iv) provision of money lending; and (v) investment in securities.

Looking forward, the Board believes that the future performance of the listed investments held by the Group will be volatile and substantially affected by overall environment, equity market conditions, investor sentiment and the business performance and development of the investee companies.

## **DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES**

As at 31 December 2020, the interests and short positions of the Directors, chief executive and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix 10 of the Listing Rules were as follows:

### **Long Position**

#### ***Ordinary shares of HK\$0.006 each of the Company***

<b>Name of director</b>	<b>No. of shares held</b>	<b>No. of underlying shares held in options granted under the Share Option Scheme</b>	<b>Percentage of the issued share capital of the Company</b>
ZHU Yuqi	—	7,607,000	0.83
MAN Yuan	—	7,607,000	0.83
MA Kin Ling	—	7,607,000	0.83

*Note:*

1. The percentage shareholding is calculated on the basis of the Company's issued share capital of 912,936,566 as at 31 December 2020.

## SHARE OPTIONS

On 4 May 2012, a share option scheme (the “**Share Option Scheme**”) was adopted by shareholders at the annual general meeting, under which the Directors may, at their discretion, grant share options to eligible persons including Directors, employees and consultants to subscribe share in the Company.

During the year ended 31 December 2020, share options to subscribe for 76,070,000 ordinary shares of HK\$0.006 each under the Share Option Scheme had been granted to eligible grantees. During the year ended 31 December 2020, 8,607,000 share options granted to two directors had been lapsed due to their resignation, 12,046,000 share options granted to employees and consultants had been expired.

At 31 December 2020, the number of shares in respect of which outstanding share options could be exercisable under the terms of the Share Option Scheme was 144,538,000 shares, representing approximately 15.8% of the shares of the Company in issue at that date. All outstanding share options are currently held by directors, employees and consultants of the Group.

Saved as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 31 December 2020, save as disclosed below, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares, which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

Name of shareholder with over 5% shareholding	Capacity	Nature of Interest	Long or short position	Number of shares	Percentage of the issued share capital of the Company (Note 1)
Cloud Dynasty (Macau) Limited (Note 2)	Controlled Company's Interest	Corporate Interest	Long Position	50,000,000	5.48%
Chan Sin Ying (Note 2)	Beneficial Owner	Beneficial Interest	Long Position	50,000,000	5.48%
Eugene Finance International Limited (Note 3)	Controlled Company's Interest	Corporate Interest	Long Position	65,000,000	7.12%
Xiao Lili (Note 3)	Beneficial Owner	Beneficial Interest	Long Position	65,000,000	7.12%

### Notes:

1. The percentage shareholding is calculated on the basis of the Company's total number of issued shares of 912,936,566.
2. Cloud Dynasty (Macau) Limited ("**Cloud Dynasty**") is directly interested in 50,000,000 shares in the Company. Cloud Dynasty is wholly owned by Chan Sin Ying. Chan Sin Ying is therefore deemed to be interested in 50,000,000 shares in the Company.
3. Eugene Finance International Limited ("**Eugene Finance**") is directly interested in 65,000,000 shares in the Company. Eugene Finance is wholly owned by Xiao Lili. Xiao Lili is therefore deemed to be interested in 65,000,000 shares in the Company.

## **DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE**

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## **SIGNIFICANT ACQUISITIONS OR DISPOSALS**

During the year ended 31 December 2020, there were no material acquisitions or disposals of subsidiaries and associated companies.

## **EMPLOYEES**

The Group's emolument policies are formulated on the performance of employees with reference to the market condition. The Board may exercise its discretion to grant share options to the executive directors and employees as an incentive to their contribution to the Group.

## **DIVIDENDS**

The Board does not recommend the payment of final dividend for the year ended 31 December 2020 (2019: Nil).

## **AUDIT COMMITTEE**

The Audit Committee provides an important link between the Board and the Company's auditors in matters coming within the scope of the audit of the Company. The Audit Committee was established in March 2000 with written terms of reference and is currently consists of three members, of whom all are independent non-executive Directors ("**INED(s)**").

The Audit Committee is responsible for reviewing the appointment of auditors on an annual basis including a review of the audit scope and the audit fees; ensuring the objectivity and independence of the auditors, meeting with the auditors to discuss issues arising from the final audit and any matters the auditors suggest to discuss; reviewing the sufficiency and effectiveness of the risk management and the internal controls; engaging a professional consultant as the Group's Internal Auditor to discharge the duties of the Group's Internal control and risk management, reviewing the annual and interim report in accordance with the accounting policies and practices and relevant accounting standards, the Listing Rules and the legal requirements; serving as a focal point for communication between other Directors and the auditors in respect of the duties relating to financial reporting.

The Audit Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice according to the Company's policy when necessary.

The results announcement of the Company for the year ended 31 December 2020 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure have been made.

## **SCOPE OF WORK OF MCMILLAN WOODS (HONG KONG) CPA LIMITED**

The financial figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2020 have been compared by the external auditors of the Company, McMillan Woods (Hong Kong) CPA Limited ("**McMillan Woods**"), to the amounts set out in the Group's consolidated financial statements for the year and the amounts were found to be in agreement. The work performed by McMillan Woods in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by McMillan Woods on this preliminary announcement.

## **CORPORATE GOVERNANCE**

The Company is committed to high standards of good corporate governance practices and procedures. The corporate governance principles of the Company emphasize a quality Board, sound internal control, transparency, independence and accountability to all shareholders.

Throughout the financial year of 2020, the Group had applied the principles as set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") in appendix 14 of the Rules Governing the Listing of Securities of the Stock Exchange (the "**Listing Rules**") during the period from 1 January 2020 to 31 December 2020; and unless otherwise stated, which in the opinion of the Board, are not appropriate to follow.

The Company conducts periodic review on its corporate governance practices to ensure that the Company can meet the requirements of the CG Code on an on-going basis. The key corporate governance principles and practices of the Company are summarized as below:

Pursuant to Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual. However, in view of the current nature of the Company, the Board opines that it is not necessary to appoint a chairman or chief executive and daily operation of the Group is delegated to executive Directors, department heads and various committees. In this circumstances, the Board considers that the present practice has already addressed the concerns of the CG Code in this respect.

Pursuant to Code Provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term subject to re-election. None of the existing INEDs are engaged on specific term, and it constituted a deviation of Code Provision A.4.1 of the CG Code. However all Directors, including INEDs are subject to retirement by rotation at each annual general meeting at least once every three years under the Bye-laws. In the circumstances, the Board considers that the present practice has already addressed the concerns of the CG Code in this respect.

Pursuant to Code Provision A.6.5 of the CG Code, which has come into effect from 1 April 2012, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. Up to the date of this announcement, all Directors have participated in continuous professional development by attending training course or reading relevant materials on the topics related to corporate governance and regulations.

Pursuant to Rules 3.10(1) and 3.21 of the Listing Rules, the Board of the Company must include at least three INED(s) and all members of the audit committee comprise non-executive directors only. The number of the INED(s) and the audit committee members of the Company fall below the minimum number requirement following the resignation of an independent non-executive director on 31 December 2020. The Company is endeavoring to identify suitable candidate to fill the vacancies on or before 31 March 2021 pursuant to Rules 3.11, 3.23 and 3.27 of the Listing Rules.

### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transaction. Based on specific enquiry of all the Directors, the Directors have complied with the required standard as set out in the Model Code throughout the financial year of 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.

### **ACKNOWLEDGEMENT**

On behalf of the Board, I would like to take this opportunity to extend our sincere thanks to our customers, suppliers and staff for their continued support and contribution to the Group during the year.

By order of the Board  
**SunCorp Technologies Limited**  
**Zhu Yuqi**  
*Executive Director*

Hong Kong, 25 March 2021

*As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Zhu Yuqi and Mr. Chow Hei Yin Terry and two independent non-executive Directors, namely Mr. Man Yuan and Mr. Ma Kin Ling.*