太和控股有限公司
TAI UNITED HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 718)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

Reference is made to the announcements of Tai United Holdings Limited (the "**Company**") dated 25 March 2022 and 31 March 2022 regarding the delay in the publication of the announcement of the audited consolidated annual results of the Company for the year ended 31 December 2021. Further to the said announcements, the audit confirmations that were outstanding have been obtained.

The board of directors ("**Board**" or "**Directors**") of the Company announces the audited consolidated final results of the Company and its subsidiaries (collectively referred to as "**Group**") for the year ended 31 December 2021 together with the comparative figures of the year ended 31 December 2020 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

	Notes	**2021** ***HK$'000***	2020 *HK$'000*
Revenue	3		
Contracts with customers		**288,004**	20,490
Leases		**21,085**	96
Net investment gains/(losses)	5	**977**	(1,832)
Total		**310,066**	18,754

	Notes	2021 HK$'000	2020 HK$'000
Other income	6	**42,670**	85,911
Reversal of impairment losses under expected credit loss model, net	7	**18,721**	27,052
Other (losses)/gains	8	**(5,040)**	49,061
Purchases and changes in inventories		**(256,179)**	(14,270)
Employee benefits expenses		**(39,139)**	(28,216)
Other operating expenses	9	**(76,624)**	(33,420)
Changes in fair value of investment properties		**(270,941)**	(40,353)
Impairment losses on mining rights		**(63,075)**	(92,225)
Finance costs	10	**(130,569)**	(8,867)
Loss before tax		**(470,110)**	(36,573)
Income tax credit	11	**28,733**	9,339
Loss for the year	12	**(441,377)**	(27,234)
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**47,818**	65,034
Other comprehensive income for the year		**47,818**	65,034
Total comprehensive (expense)/income for the year		**(393,559)**	37,800
Loss for the year attributable to:			
Owners of the Company		**(440,801)**	(26,782)
Non-controlling interests		**(576)**	(452)
		(441,377)	(27,234)
Total comprehensive (expense)/income for the year attributable to:			
Owners of the Company		**(393,110)**	37,931
Non-controlling interests		**(449)**	(131)
		(393,559)	37,800
Loss per share	13		
– Basic *(HK cents)*		**(8.40)**	(0.51)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2021

	Notes	2021 HK$'000	2020 HK$'000
Non-current assets			
Property, plant and equipment		**1,402**	2,797
Investment properties		**4,160,477**	792,245
Intangible assets		**97,808**	4,155
Mining rights		**18,716**	81,791
Financial assets at fair value through profit or loss		**627**	609
Right-of-use assets		**4,152**	6,189
Deferred tax assets		**–**	5,600
Deposit paid for acquisition of subsidiaries and other non-current deposits		**1,502**	118,765
Other non-current assets		**6,000**	6,000
		4,290,684	1,018,151
Current assets			
Inventories		**4,096**	1,955
Financial assets at fair value through profit or loss		**8,471**	7,887
Accounts receivable	14	**25,620**	3,701
Other receivables, deposits and prepayments		**98,558**	965,140
Bank balances and cash		**255,354**	496,862
		392,099	1,475,545
Current liabilities			
Accounts payable	15	**27,135**	–
Accrued liabilities and other payables		**342,575**	17,550
Borrowings	16	**1,910,778**	235,626
Lease liabilities		**2,859**	2,383
Tax payables		**109,052**	127,452
		2,392,399	383,011
Net current (liabilities)/assets		**(2,000,300)**	1,092,534
Total assets less current liabilities		**2,290,384**	2,110,685

	Note	2021 HK$'000	2020 HK$'000
Non-current liabilities			
Deferred tax liabilities		**575,664**	–
Lease liabilities		**1,530**	3,936
		577,194	3,936
Net assets		**1,713,190**	2,106,749
Capital and reserves			
Share capital	17	**262,501**	262,501
Reserves		**1,448,515**	1,841,625
Equity attributable to owners of the Company		**1,711,016**	2,104,126
Non-controlling interests		**2,174**	2,623
Total equity		**1,713,190**	2,106,749

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2021

1. GENERAL INFORMATION

Tai United Holdings Limited (the "**Company**") is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). In the opinion of the directors of the Company, the Company's immediate holding company is Songbird SG PTE. Ltd., a company incorporated in Singapore with limited liability and its ultimate holding company is Satinu Resources Group Ltd., a company incorporated in British Virgin Islands ("**BVI**") with limited liability. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business of the Company is Room 2902, 29th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong.

The Company is an investment holding company and the principal activities of the Company's principal subsidiaries are properties investment, medical equipment trading, flooring materials trading, mining and exploration of natural resources and financial asset management.

The consolidated financial statements presented in Hong Kong Dollars ("**HK$**"), which is the same as the functional currency of the Company.

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

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2021 for the preparation of the consolidated financial statements:

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16.	Interest Rate Benchmark Reform – Phase 2

In addition, the Group applied the agenda decision of the IFRS Interpretations Committee (the "**Committee**") of the International Accounting Standards Board issued in June 2021 which clarified the costs an entity should include as "estimated costs necessary to make the sale" when determining the net realisable value of inventories.

Except as described below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impacts on application of the agenda decision of the Committee – Cost accessory to sell inventories (HKAS 2 Inventories)

In June 2021, the Committee, through its agenda decision, clarified the costs an entity should include as "estimated costs necessary to make the sale" when determining the net realisable value of inventories. In particular, whether such costs should be limited to those that are incremental to the sale. The Committee concluded the estimated costs necessary to make the sale should not be limited to those that are incremental but should also include costs that an entity must incur to sell its inventories including those that are not incremental to a particular sale.

The Group's accounting policy prior to the Committee's agenda decision was to determine the net realisable value of inventories taking into consideration incremental cost only. Upon application of the Committee's agenda decision, the Group changed its accounting policy to determine the net realisable value of inventories taking into consideration incremental costs. The new accounting policy has been applied retrospectively.

The application of the Committee's agenda decision has had no material impact on the Group's financial positions and performance.

New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 17	Insurance Contracts and the related Amendments[1]
Amendments to HKFRS 3	Reference to the Conceptual Framework[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)[1]
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies[1]
Amendments to HKAS 8	Definition of Accounting Estimates[1]
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use[2]
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract[2]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020[2]

1 Effective for annual periods beginning on or after 1 January 2023
2 Effective for annual periods beginning on or after 1 January 2022
3 Effective for annual periods beginning on or after a date to be determined

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

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)

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

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that:

  (i) the classification should not be affected by management intentions or expectations to settle the liability within 12 months; and

  (ii) if the right is conditional on the compliance with covenants, the right exists if the conditions are met at the end of the reporting period, even if the lender does not test compliance until a later date; and

- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 *Financial Instruments: Presentation*.

In addition, Hong Kong Interpretation 5 was revised as a consequence of the Amendments to HKAS 1 to align the corresponding wordings with no change in conclusion.

Based on the Group's outstanding liabilities as at 31 December 2021, the application of the amendments will not result in reclassification of the Group's liabilities.

Amendments to HKAS 1 and HKFRS Practice Statement 2 Disclosure of Accounting Policies

HKAS 1 is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in any entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity choose to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 *Making Materiality Judgements* (the "**Practice Statement**") is also amended to illustrate how an entity applies the "four-step materiality process" to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments is not expected to have significant impact on the financial position or performance of the Group but may affect the disclosures of the Group's significant accounting policies. The impacts of application, if any, will be disclosed in the Group's future consolidated financial statements.

Amendment to HKAS 8 Definition of Accounting Estimates

The amendment define accounting estimates as "monetary amounts in financial statement that are subject to measurement uncertainty". An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty – that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

In addition, the concept of changes in accounting estimates in HKAS 8 is retained with additional clarifications.

The application of the amendment is not expected to have significant impact on the Group's consolidated financial statements.

Amendments to HKAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments narrow the scope of the recognition exemption of deferred tax liabilities and deferred tax assets in paragraphs 15 and 24 of HKAS 12 *Income Taxes* so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

Upon the application of the amendments, the Group will recognise a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary difference associated with the right-of-use assets and the lease liabilities.

2B. BASIS OF PREPARATION OF CONSOLIDATION FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and by the Hong Kong Companies Ordinance.

In preparing the consolidated financial statements, the Directors of the Company have given consideration to the future liquidity of the Group in light of the Group incurred a net loss of approximately HK$441,377,000 for the year ended 31 December 2021 and, as of that date, the Group had net current liabilities of approximately HK$2,000,300,000 at 31 December 2021. These conditions indicate the existence of material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The consolidated financial statement have been prepared on a going concern basis as the Directors of the Company are satisfied that the liquidity of the Group can be maintained in the coming year taking into the consideration of the following matter:

(1) In March 2021, the Group had entered into an undertaking arrangement with Dai Yongge ("**Mr. Dai**"), the ultimate controlling party of the Seller of the subsidiaries acquired during the year, that if the Guangzhou Bank Loan has not been successfully renewed subsequent to the completion of the acquisition of Guangzhou Rongzhi Public Facilities Investment Co., Ltd. ("**Guangzhou Rongzhi**") and being enforceable for repayment, Mr. Dai will irrevocably fulfil his personal obligations under this undertaking arrangement to repay all amounts of the Guangzhou Bank Loan due with interest accrued to the Bank of Jinzhou. In case of such event happened, the Group has agreed to repay Mr. Dai's settlement amount within 13 months from his settlement date or when financing on Guangzhou Rongzhi is available to the Group for repayment, whenever earlier; and

(2) The Group may seek other financing resources (including but not limited to right issues and placing of shares) to meet its liabilities and obligation as and when they are fall due.

Taking into account of the internally available funds, non-current assets held by the Group, the undertaking arrangement obtained from Mr. Dai and the potential fund raising activities, the directors of the Company are confident that the Group will be able to meet its financial obligations when they fall due in the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

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

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

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

A fair value measurement of non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

3. REVENUE

Disaggregation of revenue for contracts with customers

	2021 *HK$'000*	2020 *HK$'000*
Types of goods and services		
– Sales of medical equipment	**17,462**	20,490
– Sales of flooring materials	**25,315**	–
– Sales of properties	**217,813**	–
– Revenue from property management and related services	**27,414**	–
	288,004	20,490
Geographical markets		
– People's Republic of China (The "**PRC**")	**261,777**	20,490
– Singapore	**23,798**	–
– United States of America ("**USA**")	**1,518**	–
– United Kingdom ("**UK**")	**911**	–
	288,004	20,490
Timing of revenue recognition		
– Over time	**27,414**	–
– At a point in time	**260,590**	20,490
	288,004	20,490

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information for the years ended 31 December 2021 and 2020:

	Segment revenue	
	2021 *HK$'000*	2020 *HK$'000*
Revenue from contracts with customers		
– Medical equipment trading	**17,462**	20,490
– Flooring materials trading	**25,315**	–
– Property investment	**245,227**	–
	288,004	20,490
Leases	**21,085**	96
Total revenue	**309,089**	20,586

4. SEGMENT RESULTS

The following is an analysis of the Group's revenue and results by operating and reportable segments.

For the year ended 31 December 2021

	Property investment *HK$'000*	Medical equipment trading *HK$'000*	Flooring materials trading *HK$'000*	Mining and exploitation of natural resources *HK$'000*	Financial services and asset management *HK$'000*	Total *HK$'000*
Segment revenue	**266,312**	**17,462**	**25,315**	**–**	**–**	**309,089**
Segment net investment gains	**–**	**–**	**–**	**–**	**977**	**977**
Total	**266,312**	**17,462**	**25,315**	**–**	**977**	**310,066**
Segment results	**(406,424)**	**(2,304)**	**14**	**(64,294)**	**(1,668)**	**(474,676)**
Interest income from consideration receivable from disposal of 杭州太榮資產管理有限公司 Hangzhou Tai Rong Asset Management Co. Ltd.* ("**Hangzhou Tai Rong**")						**12,357**
Net foreign exchange losses						**(10,677)**
Bargain purchase gain on acquisition of subsidiaries						**5,866**
Impairment on goodwill						**(474)**
Reversal of impairment losses on consideration receivables and interest receivables from Hangzhou Tai Rong						**22,583**
Unallocated interest income						**23,974**
Unallocated finance costs						**(105)**
Central administration costs						**(48,958)**
Loss before tax						**(470,110)**

* *English translated name is for identification purpose only.*

For the year ended 31 December 2020

	Property investment *HK$'000*	Medical equipment trading *HK$'000*	Flooring materials trading *HK$'000*	Mining and exploitation of natural resources *HK$'000*	Financial services and asset management *HK$'000*	Total *HK$'000*
Segment revenue	96	20,490	–	–	–	20,586
Segment net investment losses	–	–	–	–	(1,832)	(1,832)
Total	96	20,490	–	–	(1,832)	18,754
Segment results	(55,858)	(1,792)	–	(93,876)	(5,504)	(157,030)
Interest income from consideration receivable from disposal of Hangzhou Tai Rong						76,923
Net foreign exchange gains						44,498
Changes in fair value of structured deposits						5,746
Reversal of impairment losses on other receivables and interest receivables						28,336
Unallocated interest income						6,643
Unallocated finance costs						(99)
Central administration costs						(41,590)
Loss before tax						(36,573)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during both years.

5. NET INVESTMENT GAINS/(LOSSES)

	2021 ***HK$'000***	2020 *HK$'000*
Changes in fair value of financial assets at fair value through profit and loss ("**FVTPL**")	**977**	(1,832)

6. OTHER INCOME

	2021	2020
	HK$'000	*HK$'000*
Interest income from:		
– consideration receivable from disposal of Hangzhou Tai Rong	**12,357**	76,923
– bank and other deposits	**5,286**	5,356
– loan receivables	**18,690**	1,315
Government grants	**–**	1,268
Sundry income	**6,337**	1,049
	42,670	85,911

7. REVERSAL OF IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET

	2021	2020
	HK$'000	*HK$'000*
Impairment losses (recognised) reversed on		
– accounts receivable	**(3,116)**	(1,284)
– other receivables	**21,086**	29,087
– interest receivables	**751**	(751)
	18,721	27,052

8. OTHER (LOSSES)/GAINS

	2021	2020
	HK$'000	*HK$'000*
Net foreign exchange (losses)/gains	**(10,677)**	44,498
Changes in fair value of structured deposits	**–**	5,746
Gain/(loss) on disposal of property, plant and equipment	**245**	(1,183)
Bargain purchase gain on acquisition of subsidiaries	**5,866**	–
Impairment on Goodwill	**(474)**	–
	(5,040)	49,061

9. OTHER OPERATING EXPENSES

	2021 *HK$'000*	2020 *HK$'000*
Selling and distribution expenses	**21,157**	1,973
Administrative expenses		
– Depreciation and amortisation	**6,546**	8,850
– Legal and professional fee	**15,917**	12,824
– Registration, license fee and other office expenses	**3,043**	2,271
– Short term leases and property management fees	**7,470**	3,058
– Repairs and maintenance	**1,106**	2,373
– Other taxes	**15,855**	120
– Sundry expenses	**5,530**	1,951
	76,624	33,420

10. FINANCE COSTS

	2021 *HK$'000*	2020 *HK$'000*
Interest expenses on		
– bank borrowings	**130,342**	8,584
– lease liabilities	**227**	226
– others	**–**	57
	130,569	8,867

11. INCOME TAX CREDIT

	2021 *HK$'000*	2020 *HK$'000*
Current tax:		
The PRC Enterprise Income Tax ("**EIT**")	**2,675**	19,249
Deferred tax	**(31,408)**	(28,588)
	(28,733)	(9,339)

12. LOSS FOR THE YEAR

	2021	2020
	HK$'000	*HK$'000*
Loss for the year has been arrived at after charging (crediting):		
Directors' emoluments	**17,427**	9,751
Other staff costs:		
– Salaries, allowances and benefits in kind	**19,178**	17,405
– Retirement benefit scheme contributions	**2,534**	1,060
Total staff costs	**39,139**	28,216
Auditor's remuneration	**2,000**	1,910
Cost of inventories recognised as an expense	**256,180**	14,270
COVID-19-related rent concessions	**–**	(345)
Amortization of intangible asset	**1,819**	–
Depreciation of property, plant and equipment	**2,658**	5,655
Depreciation of right-of-use assets	**3,888**	3,195
Gross rental income from investment properties	**(21,085)**	(96)
Less: direct operating expenses arising from investment properties that generated rental income	**15,242**	705
	(5,843)	609

13. LOSS PER SHARE

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

	2021	2020
	HK$'000	*HK$'000*
Loss		
Loss for the year attributable to owners of the Company for the purpose of basic loss per share	**(440,801)**	(26,782)

	2021	2020
	'000	*'000*
Number of shares		
Number of ordinary shares for the purpose of calculation of basic loss per share	**5,250,020**	5,250,020

No diluted loss per share for both years were presented as there were no potential ordinary shares in issue during both years.

14. ACCOUNTS RECEIVABLE

	2021	2020
	HK$'000	*HK$'000*
Accounts receivable	**30,097**	5,142
Less: Allowance for credit losses	**(4,477)**	(1,441)
	25,620	3,701

The following is an aged analysis of accounts receivable, net of allowance for credit losses, presented based on the invoice dates which approximated to the respective revenue recognition dates:

	2021	2020
	HK$'000	*HK$'000*
Within 30 days – 90 days	**24,843**	1,246
91 – 120 days	**–**	535
Over 120 days	**777**	1,920
	25,620	3,701

15. ACCOUNTS PAYABLE

An ageing analysis of accounts payable presented based on the delivery date at the end of the reporting period is as follows:

	2021	2020
	HK$'000	*HK$'000*
0 – 30 days	**10,755**	–
31 – 90 days	**16,380**	–
	27,135	–

The credit period granted by the suppliers is 90 days for the year ended 31 December 2021.

As at 31 December 2021, all accounts payable were denominated in United States Dollar ("**US$**").

16. BORROWINGS

	2021	2020
	HK$'000	*HK$'000*
Secured fixed-rate bank borrowing	**1,675,647**	–
Secured variable-rate bank borrowing	**232,131**	232,005
Unsecured fixed-rate bank borrowing	**3,000**	3,621
	1,910,778	235,626

17. SHARE CAPITAL

	Number of shares	Share capital *HK$'000*
Authorised ordinary shares at HK$0.05 per share		
At 1 January 2020, 31 December 2020 and 31 December 2021	34,566,666,668	1,728,333
Issued and fully paid ordinary shares at HK$0.05 per share		
At 1 January 2020, 31 December 2020 and 31 December 2021	5,250,019,852	262,501
Authorised preference shares at HK$0.05 per share		
At 1 January 2020, 31 December 2020 and 31 December 2021	5,433,333,332	271,666
Issued and fully paid preference shares at HK$0.05 per share		
At 1 January 2020, 31 December 2020 and 31 December 2021	–	–

18. DIVIDEND

The Board does not recommend the payment of any dividend for the year ended 31 December 2021 (2020: nil).

EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT

The following is the extract of the independent auditor's report from the external auditor of the Company:

"**OPINION**

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to section under sub-heading "Basis of preparation of consolidated financial statements" in the consolidated financial statements, which indicates that the Group incurred a net loss of HK$441,377,000 for the year ended 31 December 2021 and, as of that date, the Group had net current liabilities of HK$2,000,300,000. These events or conditions, along with other matters as set forth in section under sub-heading "Basis of preparation of consolidated financial statements", indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

The revenue of Tai United Holdings Limited ("**Company**", together with its subsidiaries, "**Group**") for the year ended 31 December 2021 ("**Year**") was approximately HK$309.1 million, representing a significant increase of 1,400.5% as compared to revenue of approximately HK$20.6 million for the year ended 31 December 2020, such increase in revenue was mainly contributed by the rental income and property management and related services income, and revenue from the sale of operating rights of the store units generated from the newly acquired shopping mall businesses in the People's Republic of China ("**China**" or "**PRC**") in the ordinary and usual course of business of the Group, and the increase in revenue from sales of medical equipment and flooring materials. In addition, net investment income on securities investment had also turned loss into profit with an improved net investment gains of approximately HK$1.0 million during the year, a turnaround from a net investment losses of approximately HK$1.8 million in the year ended 31 December 2020, reflecting the value appreciation of the Group's investment portfolio of Hong Kong listed securities under the containment of COVID-19 pandemic and the recovery of the global economy. Although revenue increased substantially and the Company actively implemented continuous cost saving plan, the Group still recorded a loss before tax of approximately HK$470.1 million during the Year, expanded by 1,184.4% as compared with the loss before tax of HK$36.6 million in year ended 31 December 2020, with the combined effect of:

(i) A decrease in fair value of investment properties of approximately HK$270.9 million resulting from the continuous adverse impact of the outbreak of COVID-19 pandemic;

(ii) an increase in impairment losses on mining rights to approximately HK$63.1 million (year ended 31 December 2020: approximately HK$92.2 million);

(iii) an increase in finance costs from approximately HK$8.9 million for the year ended 31 December 2020 to approximately HK$130.6 million during the Year, which was due to the addition bank loan of approximately RMB1,370.0 million in connection to the acquisition of Guangzhou Shopping Mall (as defined below);

(iv) a decrease in other income from approximately HK$85.9 million in the year ended 31 December 2020 to approximately HK$42.7 million during the Year, which was mainly due to the decrease in interest income from disposal receivable of a subsidiary, which held an investment property in Hangzhou, the PRC ("**Hangzhou Receivable**") because the Hangzhou Receivable has been collected in full during the Year;

(v) a reversal in impairment losses under the expected credit loss model of approximately HK$18.7 million was recorded this Year due to the improvement in the receipt of other receivables, whereas the reversal impairment losses of year ended 31 December 2020 was approximately HK$27.1 million;

(vi) a change in other gains and losses from gain of approximately HK$49.1 million in year ended 31 December 2020 to loss of approximately HK$5.0 million during the Year, which was mainly attributable to the recognition of gains on bargain purchase in the business combinations (year ended 31 December 2020: nil) and the net foreign exchange gains arising from the appreciation of foreign currencies; and

(vii) an increase in employment benefits expenses and other operating expenses to approximately HK$39.1 million and HK$76.6 million, respectively (year ended 31 December 2020: approximately HK$28.2 million and HK$33.4 million, respectively) as a result of the completion of acquisition of the Shopping Mall Businesses in the PRC (as defined below) during the Year.

Income tax expenses for the Year was approximately HK$28.7 million, which was comprised of the income tax of interest income from Hangzhou Receivable, and the reversal of deferred tax arising from the reversal of impairment losses under expected credit loss model, as compared to income tax credit of approximately HK$9.3 million for year ended 31 December 2020.

Taking into account of the income tax expenses mentioned above and netting of non-controlling interests, the Group recorded the loss attributable to owners of the Company increased from approximately HK$26.8 million for the year ended 31 December 2020 to approximately HK$440.8 million for the Year.

BUSINESS REVIEW

The Group is principally engaged in the businesses of property investment, flooring materials and medical equipment trading, mining and exploitation of natural resources, and financial services and asset management.

(1) Property Investment

Shopping Mall Businesses in the PRC

On 24 December 2020, a wholly-owned subsidiary of the Company entered into two conditional share purchase agreements with Stone Wealth Limited ("**Vendor**") for the acquisitions of (i) the entire issued share capital of Sky Build Limited ("**Sky Build**"), which indirectly holds the 100% equity interests in Jinzhou Jiachi Public Facilities Management Co., Ltd.* (錦州嘉馳公共設施管理有限公司) ("**Jinzhou Jiachi**", together with Sky Build and its wholly-owned subsidiaries, "**Jinzhou Target Group**") at a cash consideration of RMB554 million. Jinzhou Jiachi, which holds a single-storey underground mall ("**Jinzhou Shopping Mall**") located in Jingzhou, Liaoning Province, the PRC, is engaged in the shopping mall business ("**Jinzhou Shopping Mall Business**"); and (ii) the entire issued share capital of Superb Power Enterprises Limited

("**Superb Power**"), which indirectly holds the 100% equity interests in Guangzhou Rongzhi Public Facilities Investment Co., Ltd.* (廣州融智公共設施投資有限公司) ("**Guangzhou Rongzhi**", together with Superb Power and its wholly-owned subsidiaries, "**Guangzhou Target Group**"), and the settlement was by way of the novation to the Company of the repayment obligations of the current account balances of Guangzhou Rongzhi due from a group of related companies/parties (which are controlled by the ultimate beneficial owner of the Vendor) in the amount of RMB1,437 million as at 30 September 2020. Guangzhou Rongzhi, which holds a two-storey underground mall ("**Guangzhou Shopping Mall**") located in Guangzhou, Guangdong Province, the PRC, is engaged in the shopping mall business ("**Guangzhou Shopping Mall Business**").

Subsequently, the completion of the two aforementioned acquisitions (collectively, "**Acquisitions**") took place on 23 April 2021. Upon the completion of the Acquisitions, Jinzhou Target Group and Guangzhou Target Group became the wholly-owned subsidiaries of the Company and their financial performances were consolidated into the accounts of the Group, and Jinzhou Shopping Mall and Guangzhou Shopping Mall have been accounted for as investment properties held by the Group, details of which were set out in the announcements of the Company dated 24 December 2020, 8 February 2021 and 23 April 2021 and the circular of the Company dated 26 March 2021, respectively.

On 27 October 2021, a wholly-owned subsidiary of the Company and the Vendor, entered into a share purchase agreement to purchase the entire issued share capital of Willease Limited which indirectly owns 100% issued share capital in the Anyang Jiangchuan Public Facilities Co., Ltd.* 安陽江川公共設施有限公司 ("**Anyang Jiangxhuan**") (together with Willease and its wholly owned subsidiaries as "**Anyang Target Group**"), for a base consideration of RMB370,000,000. Anyang Jiangchuan, which owns a two-storey underground mall (the "**Anyang Shopping Mall**") located in Anyang city, Hunan Province, the PRC, is engaged in the shopping mall business ("**Anyang Shopping Mall Business**"). The acquisition of the Anyang Target Group was completed in November 2021. After completion of the acquisition, Anyang Target Group became the wholly-owned subsidiaries of the Company and its results were consolidated into the accounts of the Group, and the Anyang Shopping Mall has been accounted for as investment property held by the Group, details of which were set out in the announcement of the Company dated 27 October 2021 and the circular of the Company dated 30 November 2021, respectively.

Anyang Shopping Mall Business, together with Jinzhou Shopping Mall Business and Guangzhou Shopping Mall Business are the "Shopping Mall Businesses in the PRC".

The Group has been undertaking a diversified business strategy. The acquisitions of three shopping malls in Anyang, Jinzhou and Guangzhou completed in 2021, are in line with the strategic development of the Group and will provide an opportunity for the Group to widen its shopping malls network, expand the geographical coverage and scale up its shopping mall businesses. It is expected that the promotional campaigns, marketing activities and branding of the shopping malls of the Group will become more effective and cost-efficient. Anyang Shopping Mall is located in the central region of the PRC while the shopping malls in Jinzhou and Guangzhou are located in the north-eastern region and southern region of the PRC respectively. The acquisitions will allow the Group's shopping mall network to have a strategic presence in central, north eastern and southern regions of the PRC and expand geographically across the above regions in the PRC and potentially grow its market share. Benefiting from the expertise and experience of the management of the shopping malls in different regions, it is expected that the management of the Shopping Mall Businesses in different regions in the PRC can exchange valuable market information, business intelligence and management experience, including relationship and network with tenants and shop owners, shopping mall operation and management strategies and experiences and regulatory compliance, for enhancing the performance of the overall shopping mall businesses of the Group.

Prior to the acquisitions of the three shopping malls, the Group experienced diminishing revenue and deteriorated operations across various business segments as a result of reduced demand for products and services in various business segments and regions due to lockdown restrictions caused by COVID-19 outbreak. Against the pandemic and its impact on the economies, the directors ("**Directors**") of the Company considered that a diversified business strategy would be the key in remedying the low level of operations of the Group prior to such acquisitions and turning around its financial performance. In addition, the Directors consider that the three acquisitions above will provide stable operating profit and cash flow and serve as an imminent remedy for the enhancement of the operation level of the Group, and the Group is expected to benefit from the advantages of integrating the Anyang Shopping Mall, Jinzhou Shopping Mall and Guangzhou Shopping Mall.

The Shopping Mall Businesses in the PRC primarily involve the leasing and management of operations of Anyang Shopping Mall, Jinzhou Shopping Mall and Guangzhou Shopping Mall. As of 31 December 2021, details of the three shopping malls are set out as follows:

Shopping Mall	**Gross Floor Area** *(approximately sq.m.)*	**Leasable Floor Area** *(approximately sq.m.)*	**Leased Floor Area** *(approximately sq.m.)*
Anyang Shopping Mall Anyang Diyi Shopping Street Shopping Mall in the PRC	25,310	24,815	17,924
Jinzhou Shopping Mall Jinzhou First Tunnel Shopping Mall in the PRC	40,765	38,809	36,140
Guangzhou Shopping Mall Guangzhou First Tunnel Shopping Mall in the PRC Phases 1 and 2	89,415	37,570	18,747

For the period from the respective completion dates of the three acquisitions to 31 December 2021, the revenue generated from the Shopping Mall Businesses in the PRC was mainly attributable to the rental income and property management and related service income from shops and venue spaces tenants, and sale of operating rights of store units of approximately HK$260.4 million, of which approximately HK$217.8 was contributed by the sales of operating rights of store units of the Guangzhou Mall which is revenue nature and generated in the ordinary and usual course of business of the Group. As at 31 December 2021, the fair values of investment properties of Anyang Shopping Mall, Jinzhou Shopping Mall and Guangzhou Shopping Mall amounted to approximately HK$615.2 million, approximately HK$841.4 million and approximately HK$2,027.9 million, respectively.

Real Estate in the UK

The Group holds luxury real estate in premium location in central London within close proximity to the Buckingham Palace ("**UK Investment Properties**"). As at 31 December 2021, the UK Investment Properties of the Group carried at fair value were approximately HK$675.9 million. The revenue generated from the UK Investment Properties for the Year was approximately HK$5.9 million, representing an increase of 5,800% as compared to approximately HK$0.1 million over year ended 31 December 2020. Such increase in rental income was mainly attributable to the lease payment arising from the new lease of the town house at 6 Buckingham Gate, London, the United Kingdom leased out in July 2021 for a term of three years.

As such, the overall segment results were therefore a loss of approximately HK$406.4 million, represented an increase of approximately 627.0% as compared to the loss of approximately HK$55.9 million in year ended 31 December 2020, which was mainly due to decrease in fair value of investment properties of approximately HK$270.9 million resulting from the continuous adverse impact of the outbreak of COVID-19 pandemic and a finance costs of approximately HK$130.6 million during the Year, which was due to the addition bank loan of approximately RMB1,370.0 million in connection to the acquisition of Guangzhou Shopping Mall.

(2) Flooring and Medical Equipment Trading

The Group commenced the trading business of flooring materials with overseas customers in second half of 2021 and recorded revenue of HK$25.3 million for the Year.

The Group carries out medical equipment trading business in China for which the majority customers are hospitals. As the selling products are mostly general medical equipment consumable goods and optical medical devices and the related parts ("**Medical Products**"), the Group operates in a highly competitive market.

Sales of many of the non-pandemic related optical medical devices were suspended during the lockdown period amid COVID-19 pandemic in the first half of 2020. The lockdown measures were gradually lifted from the end of 2020 to the early of 2021 when the COVID-19 pandemic was contained. Nevertheless, sales of Medical Products were negatively affected by the COVID-19 pandemic. The revenue for the Year decreased to approximately HK$17.5 million, represented an decrease of 14.6% as compared with approximately HK$20.5 million of year ended 31 December 2020. The segment loss for the Year increased by 27.8% to approximately HK$2.3 million, as compared to a loss of approximately HK$1.8 million for year ended 31 December 2020.

(3) Mining and Exploitation of Natural Resources

Currently, the Group holds four mining right licences ("**Mining Rights**") of three tungsten projects in Mongolia. The segment of mining and exploitation of natural resources business recorded no revenue during the Year as numerous investors who we approached have suspended their negotiations with us due to the COVID-19 pandemic and the subsequent lockdown measures. In view of various factors including the closure of factories, suspension of production lines and therefore the lower market demand resulting from the resurgence of COVID-19 and the constant virus mutations, some of the potential mining partners or investors had lost interest in investing in this segment during the Year.

Various anti-COVID-19 measures have caused difficulties in logistics and significant increase in mining and delivery costs, coupled with the uncertainty of natural content and the prolonged period from mining to sales, have negatively affected the valuation of the Mining Rights.

The forecasted revenue/cost margin of the tungsten mining projects has therefore decreased, lowering the commercial viability for the Group to perform mining operations and productions on its own. With reference to the valuation of the Mining Rights under the existing forecast model and the information available to the Group up to the date of this announcement, the carrying values of the Mining Rights was further impaired from approximately HK$81.8 million as at 31 December 2020 to approximately HK$18.7 million as at 31 December 2021. As a result, impairment losses of the Mining Rights amounting to approximately HK$63.1 million for the Year is recognised. For year ended 31 December 2020, the impairment losses of the Mining Rights were approximately HK$92.2 million. Meanwhile, the Group is still continuously identifying potential investors to negotiate the sales of the Mining Rights.

(4) Financial Services and Asset Management

No segment revenue was recorded as the prospect and market condition were yet to be certain, especially in light of the economic recovery affected by repeated resurgence of COVID-19 pandemic and the elevated China-US tension. The Group has adopted a prudent approach in financial investments during the Year. As such, the segment loss for the Year was approximately HK$1.7 million, compared with the segment loss of approximately HK$5.5 million for last year. The status of each of businesses in this segment is further discussed as below.

Financial services

The Group has obtained a money lenders licence under the Money Lenders Ordinance, Chapters 163 of the Laws of Hong Kong through a wholly-owned subsidiary in August 2020, and the relevant operation procedures and other preparation works have been completed. Given that the acquisitions of the Shopping Mall Businesses in the PRC were completed in this Year and we are expected to retain funds to develop other new property-related businesses, the commencement of money lending business will be postponed until the new business has showed signs of stabilisation and the resources of the Group continue to grow and accumulate. The Directors will closely monitor the development of our various business segments and strategically allocate corporate resources with an aim to maximise the Company’s shareholders returns.

Distressed debt assets management

The Group recorded no net investment gain or loss in its distressed debt assets management business for the year ended 31 December 2021 due to no transaction of acquisition or disposal of distressed debt assets has been conducted under increasing risk of economic downturn amid COVID-19 pandemic. The price of distressed debt assets including non-performing loans fell to a relatively low level in 2020, and is expected to remain low in the foreseeable future, due to abundant supply in the market.

After careful assessment of various risks in the distressed debt assets market, the Directors were of the view that acquisitions of these distressed debt assets may not be considered as appropriate for the time being, due to the increased associated risks yet lowered returns for uncertain recovering period. As a result, the business incurred a loss of approximately HK$2.6 million for the Year, mainly representing the overhead costs of the business operation, whereas the loss of year ended 31 December 2020 was approximately HK$3.7 million. The Directors will continue to assess whether the Group should continue to engage in distressed assets investment and if so, the timing for such investment.

Securities investment

Benefiting from the strategic geographical location of Hong Kong and the development of the PRC investment market, the Group carried out securities investment business in the secondary market with its internal funds. With listed shares of large-scale and quality companies as primary investment targets, the Group aims to pursue capital appreciation and stable dividend income.

As at 31 December 2021, the carrying value of the investment portfolio (accounted for as financial assets at fair value through profit or loss in the condensed consolidated statement of financial position) was approximately HK$8.5 million, up by approximately 7.6% than of approximately HK$7.9 million as at 31 December 2020. The holding of such listed securities investments remained unchanged and they were all listed equity securities in Hong Kong, none of which was with a carrying value of 5% or more of the total assets of the Group.

The value of the Hong Kong-listed securities investment portfolio of the Group increased. A net investment income on the fair value amounting to approximately HK$1.0 million was recorded for the Year, as compared to a net investment loss of approximately HK$1.8 million in year ended 31 December 2020.

FINANCIAL REVIEW

Capital structure

As at 31 December 2021, the consolidated net asset of the Group was approximately HK$1,713.2 million, representing a decrease of approximately HK$393.5 million as compared to that of approximately HK$2,106.7 million as at 31 December 2020. There is no shares movement since the end of the last year. As at 31 December 2021, the Company has 5,250,019,852 shares of HK$0.05 each in issue and the total equity attributable to owners of the Company was approximately HK$1,711.0 million (as at 31 December 2020: approximately HK$2,104.1 million).

Liquidity and financial resources

As at 31 December 2021, the Group's bank balances and cash were approximately HK$255.4 million (as at 31 December 2020: approximately HK$496.9 million), current assets of approximately HK$392.1 million (as at 31 December 2020: approximately HK$1,475.5 million), current liabilities of approximately HK$2,392.4 million (as at 31 December 2020: approximately HK$383.0 million). The current ratio was 0.16 times [(Note 1)] (as at 31 December 2020: 3.85 times). As at the end of the Year, the net current liabilities of the Group were approximately HK$2,000.3 million (as at 31 December 2020: the net current assets of approximately HK$1,092.5 million).

As at 31 December 2021, the total debt financing of the Group was approximately HK$1,910.8 million (as at 31 December 2020: approximately HK$235.6 million), and there was no non-current debt financing for the Year (as at 31 December 2020: nil).

The net debt [(Note 2)] of the Group was approximately HK$1,655.4 million (as at 31 December 2020: negative net debt of approximately HK$261.2 million) and the total equity was approximately HK$1,713.2 million (as at 31 December 2020: approximately HK$2,106.7 million). Therefore, the gearing ratio [(Note 3)] as at the end of the Year was 1.12 (as at 31 December 2020: 0.11).

The objective of the Group's funding and treasury management activities is to ensure a sufficient liquidity to meet operational needs and various investment plans.

Capital commitments

As at 31 December 2021, the Group has no material capital commitments and was not engaged in any future plans concerning major investment or acquisition of capital assets (as at 31 December 2020: nil).

Note 1: Current ratio = Current assets/Current liabilities
Note 2: Net debt = Borrowings – Bank balances and cash
Note 3: Gearing ratio = Total interest-bearing borrowings/Total equity

Charges on group assets

As at 31 December 2021, the Group's bank borrowings of approximately HK$1,907.8 million were secured by certain assets of the Group, including investment properties and the equity interest of a wholly-owned subsidiary (as at 31 December 2020: approximately HK$232.0 million).

Contingent liabilities

As at 31 December 2021, the Group had no material contingent liabilities (as at 31 December 2020: nil).

Foreign exchange exposure

The Group's financial statements are denominated in Hong Kong dollars ("**HKD**"), while the Group is conducting business mainly in HKD, United States Dollar ("**USD**"), Great British Pound ("**GBP**") and RMB. Since exchange rates of HKD is pegged to USD, there is no material exchange risk in respect of USD assets and transactions. However, the assets, liabilities and transactions of the UK and the PRC subsidiaries of the Group are mainly denominated in GBP and RMB respectively, there were exchange risks during financial settlement at the end of Year in this regard.

The Group has implemented policies and guidelines in relation to foreign exchange risk management. Meanwhile, the subsidiaries in the PRC are able to generate sufficient income to deal with their local currency expenses; therefore, the management of the Company considered that the Group's exposure to the potential foreign currency risk was relatively limited.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2021, the Group had 193 (as at 31 December 2020: 36) employees, of whom approximately 14.5% (as at 31 December 2020: 66.7%) were located in Hong Kong and the rest were located in the PRC and overseas.

The Group recognises the employees as the key element that contributes to the Group's success. The Group's remuneration policies are formulated based on the individual performance and the salaries trends in various regions, which will be reviewed annually. Apart from mandatory provident fund and medical insurance, the Company has adopted a share option scheme under which share options may also award to the Directors and eligible employees as an incentive with reference to the assessment of individual performance. The board of Directors ("**Board**") believes that the Group maintains an admirable relationship with the employees.

DIVIDENDS

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

PROSPECTS

Following a strong rebound in 2021, the global economy is entering a pronounced slowdown amid fresh threats from COVID-19 variants and a rise in inflation, debt, and income inequality that could endanger the recovery in emerging and developing economies, according to the World Bank's latest Global Economic Prospects report. Global growth is expected to decelerate markedly from 5.5 percent in 2021 to 4.1 percent in 2022. Growth in China is set to ease from an estimated 8% in 2021 to 5.1% in 2022, partly due to the lingering effects of the pandemic as well as additional regulatory tightening. Despite the slowdown in growth as compared with 2021, the expected growth in China in 2022 is still above the global growth, indicating that China would be one of the key engines to boost global economic growth.

Although the world's economy has been adversely affected by the COVID-19 pandemic and war in Ukraine further adds uncertainties in the road to economic recovery, China, as one of the largest economies in the world, continues to offer a stable economic and political environment to conduct business. The PRC government's effective measures against COVID-19 and a serious of social reforms have led to a safe and healthy society for the growth of the next generation. The "14th Five-Year Plan Outline" will further facilitate the growth of trade and consumption in China and provide more business opportunities for shopping malls with leisure consumption.

The Shopping Mall Businesses in the PRC will be the key driver of the Group's business expansion. By combining trendy promotion themes and online offline marketing elements appealing to the young generations, the Group aims to create innovative shopping and visiting experience at our shopping malls. Besides shopping, the malls will offer more comprehensive and extraordinary dining, entertainment and physical exercises experiences. The Nation's third child policy and stronger emphasis on the youth physical development raised in 2022 present new business opportunities. The Group would formulate strategic business mix, themes and promotion plans for the shopping malls to capitalise on these rising opportunities.

Guangzhou Shopping Mall would focus on branded kids fashion and the garment business section will be expanded with more shops being used as distribution points for online merchants of originally designed clothing in 2022. To enhance the visitors flow and bring a more remarkable shopping experience for the young consumers, the Group plans to set up rooms for "scripts murder" – a mystery-like role-playing game, talk show theatre and indoor castle playground for kids. Seasonal food stalls and food court areas will be expanded to process and serve online takeaway orders, and to increase dining options to meet the ever-changing taste and preferences of the younger generation.

Ladies fashion section would introduce top-notch brands. In addition, there is a plan to allocate a specific section for online merchants of fashion accessories from designers across various cities in China to set up stores in the mall. Fitness center would be launched on a cooperative basis with gym operators under a more sustainable business model. By achieving the above plans, the Group aims to create a more vibrant environment and experience in the Guangzhou Shopping Mall.

In 2022, the Group plans to introduce bar chain stores, specialty food stalls, electronic games center and rooms for "scripts murder" – a mystery-like role-playing game, in the Jinzhou Shopping Mall. With the existing skate board and roller blade court, wargame facilities, and escape room game center, these new initiatives together will offer a more sporty and entertaining experience for young visitors.

Anyang Shopping Mall will be redesigned to feature both traditional Chinese interior designs, as well as modern and contemporary interior designs in its basement floors. More ground entrance points are planned to be built with elevators leading to basement one to increase visitors flow. Other facilities including role-playing game rooms, a selection of bistros, bars and restaurants would also be featured at the Anyang Shopping Mall. We aim to make Anyang Shopping Mall a popular "check-in" locations in Anyang on social media.

Leveraging on the potential synergies with the Group's Shopping Mall Business in the PRC, in the second half of 2021, the Group has commenced the flooring materials trading business ("**Flooring Trading Business**") in trading and exporting flooring board (stone plastic composite and wood plastic composite) and other decoration materials. It will first focus on foreign exports, and use the US market as a pilot project to accommodate the trillion-dollar infrastructure scheme of the US government. Going forward, the Flooring Trading Business will continue to expand exports scale and gradually develop the domestic business. We expect to supply floors, ceilings or other construction and decoration materials to Anyang Shopping Mall, Jinzhou Shopping Mall and Guangzhou Shopping Mall to capitalize on the shopping mall tenant and customer networks.

The new Shopping Malls Businesses in the PRC and Flooring Trading Business introduced in 2021, in conjunction with the Group's several matured and deep-rooted businesses of residential property investment and medical equipment trading, are expected to strategically diversify the Group's businesses and effectively mitigate, market, liquidity, credit and other investments risks. China will be amongst the first batch of countries to recover from the COVID-19 pandemic and economic set-back. Even though there are many challenges and variables ahead, the Group is prudently optimistic that its various businesses would benefit from such recovery. The Group's scale of operations and quality of assets are expected to improve consistently as the global economy gradually regains its strength in the years to come.

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

During the year ended 31 December 2021, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is committed to maintaining statutory and regulatory standards and adhering to the principles of corporate governance with emphasis on transparency, independence, accountability and responsibility. During the year ended 31 December 2021, the Company has complied with all the applicable code provisions of the Corporate Governance Code ("**CG Code**") as set out in Appendix 14 to the Listing Rules, except for certain deviations disclosed herein.

The CG Code stipulates that the roles of chairman of the board and chief executive officer should be separate and should not be performed by the same individual. During the reporting year, Mr. Wang Hongfang was the Chairman since 20 May 2021 and Mr. Kwong Kai Sing Benny was the CEO and hence, the Company was in compliance with the relevant requirement under the CG Code. After the reporting year, Mr. Kwong Kai Sing Benny resigned from the positions of executive director and CEO and Mr. Wang Hongfang was appointed as CEO with effect from 31 January 2022. Mr. Wang Hongfang performs both roles of chairman and CEO since 31 January 2022 and is responsible for overseeing the daily operations of the Group. The Board believes that it is in the best interests of the Group to have Mr. Wang Hongfang taking up both roles for effective management and business development. In addition, the Group operations are also supervised and managed by the rest of the Board, comprising two other executive directors, one non-executive director and three independent non-executive directors, who provide balance of power and sufficient checks to protect interest of the Company and shareholders as a whole.

The CG Code stipulates that non-executive directors should be appointed for a specific term subject to re-election. Independent non-executive Directors are not appointed for a specific term. However, all Directors are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the bye-laws of the Company.

According to the CG Code, all independent non-executive directors and non-executive directors should attend general meetings of listed issuers. Dr. Gao Bin and Ms. Liu Yan, the independent non-executive Directors, were unable to attend the annual general meeting held in June 2021 due to their other business engagements.

Further details of the Company's corporate governance practices would be set out in the corporate governance report to be contained in the Company's annual report for the year ended 31 December 2021.

COMPLIANCE WITH THE MODEL CODE BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**"), as amended from time to time, as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by its Directors. Having made specific enquiry, all Directors have confirmed that they have fully complied with the required standard set out in the Model Code during the year ended 31 December 2021.

AUDIT COMMITTEE AND REVIEW ON THE FINAL RESULTS

The Company has established the Audit Committee with a specific written terms of reference in accordance with the requirements under Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee is responsible for, among others, reviewing and supervising the Group's financial reporting process, assisting the Board to ensure effective risk management and internal control systems of the Group and providing advice and comments to the Board.

As at 31 December 2021 and up to the date of this announcement, the Audit Committee comprised all three independent non-executive Directors, namely, Dr. Gao Bin, Ms. Liu Yan and Mr. Tang King Shing. Ms. Liu Yan is elected as the chairman of the Audit Committee.

The audited consolidated financial statements of the Group for the year ended 31 December 2021 have been reviewed by the Audit Committee together with the management and the external auditors of the Company. The Audit Committee is satisfied that such statements comply with the applicable accounting standards and that adequate disclosures have been made.

There are no material differences between the unaudited consolidated financial information of the Group contained in the announcement of the Company dated 31 March 2022 and the audited consolidated final results of the Group for the year ended 31 December 2021 contained in this announcement.

SCOPE OF WORK OF ELITE PARTNERS CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2021 as set out in this announcement have been agreed by the Group's auditor, Elite Partners CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Elite Partners CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Elite Partners CPA Limited on this announcement.

PUBLICATION OF FINAL RESULTS AND DESPATCH OF ANNUAL REPORT

This results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.irasia.com/listco/hk/taiunited/index.html. The annual report of the Company for the year ended 31 December 2021 will be despatched to the Shareholders and published on the aforesaid websites in due course.

By order of the Board
Tai United Holdings Limited
Wang Hongfang
Chairman and Chief Executive Officer

Hong Kong, 3 April 2022

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:
Mr. Wang Hongfang
(Chairman and Chief Executive Officer)
Mr. Zheng Yuchun *(Executive President)*
Mr. Chen Weisong

Independent non-executive Directors:
Dr. Gao Bin
Ms. Liu Yan
Mr. Tang King Shing

Non-executive Director:
Mr. Xiao Yiqun

* *English translated name is for identification purpose only.*