大灣區投資控股集團有限公司

GREATER BAY AREA INVESTMENTS GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00261)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

CHAIRMAN'S STATEMENT

On behalf of the Board of the Company, I present the annual results of the Group for the year ended 31 December 2019.

DETERIORATING OPERATING ENVIRONMENT

In 2019, the Group faced one of the most difficult times in its 28 years of history. The operating environment of the Group has been deteriorating as a result of the combined effect of a number of global and local economic, political and health events which were beyond the Company's control. These events include:

(a) the protracted trade war between the USA and the PRC;
(b) the global economic slowdown;
(c) the social unrest in Hong Kong; and
(d) the recent outbreak of the novel coronavirus.

These events have given rise to negative impacts on the economy of China as well as Hong Kong, where our principal businesses are located.

RESULTS

Given the adverse operating environment, the Group recorded revenue of HK$283 million, representing a decrease of 34.2% as compared with the last corresponding year. Loss attributable to the owners of the parent was HK$168 million, representing an increase of 90.9%, attributable mainly to non-cash provisions representing written-off of goodwill arising from the winding down of the mainland finance business and impairment provisions on completed properties held for sale in China.

As the Company was still in a loss position and the Company needs to conserve cash to combat the current and future challenges, the Board does not recommend payment of a final dividend for the year ended 31 December 2019 (2018: nil).

BUSINESS REVIEW

The Products Trading Business

In 2019, the Products Trading Business was adversely affected by the protracted trade war between the USA and China, the global economic slowdown and the declining demand of cordless phones. Against a backdrop of increasing operating difficulties and challenges, this business segment recorded revenue of HK$149 million, fell 55.3% from last corresponding year. As a result, an operating loss of HK$17 million was recorded, as compared with an operating profit of HK$4 million in the previous corresponding year. Since the start of 2020, revenue of this business further decreased significantly as a result of the coronavirus outbreak. The Company is considering various options to combat the current adverse situation of this business.

Property Business

All our existing property development projects, namely the Landmark City, Evian Villa and CCT Land-Jun Mansion are located in the Anshan, Liaoning Province, the PRC. Development of the first two projects, Landmark City and Evian Villa have been completed, while the third project, CCT Land-Jun Mansion located in the Hi-tech Development Zone, is currently under development. Details of our property projects are set out below.

Landmark City

Situated in the Tiexi District of the Anshan City, Landmark City enjoys convenient transport access and well-developed comprehensive ancillary facilities, and the project provides comfortable design, relatively low plot ratio and relatively high ratio of greenery and common areas. The project comprises residential buildings, underground car parks and retail shops, with a total gross floor area of approximately 212,000 square meters, built on a site area of 69,117 square meters. Landmark City is divided into three phases, comprising 22 residential towers, offering 2,132 flats and shop units in aggregate, with wide range of sizes from one-bedroom to four-bedroom apartments. Development of the entire Landmark City project was completed in 2013. As at 31 December 2019, approximately 86% of the entire project has been sold accumulatively. In 2019, contracted sales of the units of the Landmark City amounted to approximately RMB44 million (2018: RMB23 million).

Evian Villa

Situated in the Hi-tech Development Zone of the Anshan City, Evian Villa is positioned as a luxurious residential community. Evian Villa is situated in one of the major school and commercial areas in Anshan with newly developed large shopping arcades and comprehensive community facilities. Since first launch of the project, the development has received strong market response and have been well praised by the customers for its superior quality, top-notched design, low plot ratio, a greenery ratio of 42% and premium construction materials. In particular, the beautiful premier water system, an artificial lake in the center of the estate has received accolades from customers and buyers.

The project has a site area of 74,738 square meters and is divided into two phases, comprising 27 blocks of low-rise apartment buildings, under-ground car parking spaces and retail shops with total gross floor area of 126,000 square meters. Phase 1 comprises 14 blocks of gross floor area of 63,000 square meters and Phase 2 comprises 13 blocks of gross floor area of 63,000 square meters. Evian Villas provide flats and duplex apartments of 670 units in aggregate, comprising 291 units for Phase 1 and 379 units for Phase 2, with wide range of flat types. Development of the Phase 1 was completed in 2011, approximately 77% of which has been sold accumulatively up to 31 December 2019. Development of Phase 2 was completed in 2015, over 80% of which has been sold accumulatively up to 31 December 2019.

In 2019, contracted sales of the units of the Evian Villa amounted to approximately RMB55 million (2018: RMB39 million).

CCT Land-Jun Mansion

The CCT Land-Jun Mansion project is located on the land lot site "DN1" of the Hi-tech Development Zone, adjacent to the Evian Villa project. This land site is unique and represents scarce land resource in the zone. Located in a prestigious residential location in Anshan, CCT Land-Jun Mansion enjoys well-developed community facilities. With a site area of approximately 83,000 square meters, this premier project will be developed into a luxury residential community comprising low-rise apartments with balanced range of flat types, retail shops and underground car parks, with a planned total gross floor area of approximately 181,000 square meters. We pursue excellence and superior quality in the development of CCT Land-Jun Mansion, aiming to offer luxury and comfortable living environment to home buyers. We expect this project will beat market expectation.

CCT Land-Jun Mansion project will be broadly developed in three phases. Development of Phase 1 commenced in 2017 and construction continued in 2018 and 2019. Presale of property units of Phase 1 was first launched in 2018 and was strongly received by home buyers. Up to 31 December 2019, approximately 90% of the total units of Phase 1 available for presale were presold. A large amount of deposits was received from home buyers.

Although construction of the Phase 1 project has basically completed, the home buyers prefer to take occupation of their flats in 2020 when some common facilities such as greenery area is more well completed. Therefore, the Company expects to start to record sales of this project in 2020.

Finance Business

Our finance business comprised the finance business in Mainland China and the money lender business in Hong Kong.

The mainland finance business was started in 2016 and we focused on offline finance business in the past three years. Given the finance business having become increasingly regulated in China and due to the coronavirus outbreak, we find it difficult to manage and expand our mainland finance business. As such, the management has decided to terminate this business. Under such circumstances, the goodwill of HK$41 million relating to this business was written off in 2019.

The Company continues to carry on its money lender business in Hong Kong as it still generates interest income to the Group.

CHANGE OF NAME AND SEEKING OF NEW BUSINESS OPPORTUNITIES

The Greater Bay Area initiative refer to the Chinese government's plan to integrate Hong Kong, Macau, Shenzhen, Guangzhou and seven other cities in the Guangdong Province into a world class economic and business hub. We consider that there are good opportunities in the Greater Bay Area for the Company to develop and grow. As such, the Company has changed its company name from "CCT Land Holdings Limited" to "Greater Bay Area Investments Group Holdings Limited" and its secondary name from "中建置地集團有限公司" to "大灣區投資控股集團有限公司" (the "**Change of Name**"). The Change of Name was approved by the shareholders of the Company at the special general meeting convened on 20 February 2019 and has become effective from 28 February 2019.

In 2019, we strived to seek new business opportunities in the Greater Bay Area. The projects which we are interested include property projects, city renewal projects and distressed assets. Certain projects appear to have good prospects and growth potentials. However, our initiatives to pursue business development and expansion in the Greater Bay Area has been affected by the social unrest in Hong Kong and the recent coronavirus outbreak. Nevertheless, we will continue to pursue our strategy of enhancing growth and profitability of the Company.

Electric Vehicle ("EV") Business

The EV prototype which we engaged Ideenion Automobil AG, a reputable design and solution provider based in Germany to design and develop for us, has arrived in Hong Kong. We have invited certain Chinese government officials and potential investors to view our EV. However, due to the negative impact caused by the prolonged trade war between the USA and China, the social unrest in Hong Kong and the recent coronavirus outbreak, there was little progress of our EV business. The Company will consider how to develop our EV business after the situation is improved.

OUTLOOK

We consider that the outbreak of the novel coronavirus poses the greatest threats and challenges to the world economy in 2020. This highly infectious virus has quickly spread over the world. The number of infected cases and dead toll around the world continue to rise. The World Health Organisation declared the coronavirus outbreak a global pandemic on 11 March 2020. It is uncertain when this dangerous disease will be contained. This global health crisis has caused serious disruption for people, and various types of economic and social activities globally. It is also concerned that the negative impact on global economy is rising. Governments of many affected countries in the world have introduced measures trying to contain this virus and economic policies are implemented to limit the negative impact created by the virus on their economy.

The coronavirus outbreak may give rise to negative impact to our business operations and financial position. We have put in place various measures to respond to the current situation. We are closely monitoring the future development of this global health crisis and will strive to combat these unprecedent challenges as the situation evolves. Given the current adverse situation, we strive to conserve our cash and further strengthen our cost control in order to combat the current and future challenges. With a resilient management and our solid financial position, we consider that we can withstand the negative impact caused by the adverse operating environment. The Company will continue to pursue its core strategy of achieving long-term sustainable growth for the Company and enhancing long-term value to its shareholders.

APPRECIATION

On behalf of the Board, I wish to express our gratitude to the directors, the management and all our employees for their dedication, loyalty, and hard work to meet the challenges during the year. Furthermore, I am most grateful to our customers, shareholders, investors, bankers, landlords and suppliers for their continued encouragement and strong support to the Company throughout these unprecedent times.

Mak Shiu Tong, Clement
Chairman

Hong Kong, 30 March 2020

FINANCIAL REVIEW

OVERVIEW OF FINANCIAL RESULTS

HK$ million	**2019**	2018	**% increase/ (decrease)**
Revenue	**283**	430	(34.2%)
Other expenses, net	**(92)**	(14)	557.1%
Loss before tax	**(196)**	(84)	133.3%
Income tax credit/(expense)	**30**	(1)	N/A
Loss for the year	**(166)**	(85)	95.3%
Attributable to:			
Owners of the parent	**(168)**	(88)	90.9%
Non-controlling interest	**2**	3	(33.3%)
Loss for the year	**(166)**	(85)	95.3%
Loss per share			
Basic and diluted	**(HK$0.09 cents)**	(HK$0.06 cents)	50.0%

Financial Results

The Group's revenue of HK$283 million decreased by 34.2%, mainly due to the decline in the sales of the Products Trading Business.

Other expenses of HK$92 million, was HK$78 million or 557.1% higher. The significant increase in other expenses was led mainly by: (i) the written off of the goodwill of HK$41 million relating to the mainland finance business, which is in the process of being wound down; and (ii) the impairment provisions of HK$37 million on the properties held for sale in respect of Landmark City and Evian Villa, which was made on the remaining property units of these two completed projects, as a result of decrease in property prices due to oversupply and high inventory level in the city, couple with the tightening policies of the Chinese Governments on property prices.

Loss before tax increased by HK$112 million or 133.3% and loss attributable to owners of the parent of HK$168 million, was HK$80 million or 90.9% higher. The increase in loss was primarily attributable to written off the goodwill and impairment provisions, as elaborated above.

Loss per share attributable to ordinary equity holders of the parent was HK$0.09 cents, increased by 50.0%, as compared with loss per share of HK$0.06 cents in 2018. The increase in loss per share was attributable to the combined net effect of increase in loss and the increase in the weighted average number of issued shares.

ANALYSIS BY BUSINESS SEGMENT

	Revenue				
	2019		2018		
HK$ million	**Amount**	**Relative %**	Amount	Relative %	% change
Products Trading Business	**149**	**52.7%**	333	77.4%	(55.3%)
Property Business	**112**	**39.6%**	75	17.5%	49.3%
Finance Business	**22**	**7.7%**	22	5.1%	-
Total	**283**	**100.0%**	430	100.0%	(34.2%)

	Operating profit/(loss)		
HK$ million	**2019**	2018	% change
Products Trading Business	**(17)**	4	N/A
Property Business	**(77)**	(48)	60.4%
Finance Business	**10**	21	(52.4%)
Total	**(84)**	(23)	265.2%

For the year ended 31 December 2019, revenue of the Products Trading Business of HK$149 million, was HK$184 million or 55.3% lower. This business segment recorded operating loss of HK$17 million, as opposed to the operating profit of HK$4 million in 2018, mainly as a result of decrease in sales.

In 2019, the Property Business recorded revenue of HK$112 million, increased by 49.3% as compared with 2018. This segment’s operating loss of HK$77 million was HK$29 million higher as compared with 2018. The increase in loss was mainly attributable to the increase of impairment provisions for our properties held for sale in the current reporting year.

In 2019, the finance business recorded revenue of HK$22 million (2018: HK$22 million) and an operating profit of HK$10 million (2018: HK$21 million). The decrease in profit of the finance business was primarily caused by the winding down of the mainland finance business.

ANALYSIS BY GEOGRAPHICAL SEGMENT

	Revenue				
	2019		2018		%
HK$ million	**Amount**	**Relative %**	Amount	Relative %	Change
Mainland China and Hong Kong	**192**	**67.8%**	234	54.4%	(17.9%)
North America	**64**	**22.6%**	112	26.0%	(42.9%)
Asia Pacific, Europe and others	**27**	**9.6%**	84	19.6%	(67.9%)
Total	**283**	**100.0%**	430	100.0%	(34.2%)

In 2019, Mainland China and Hong Kong were the largest market regions of the Group, contributed HK$192 million in revenue, representing 67.8% of the Group's total revenue. North America was the second largest market, contributed revenue of HK$64 million. Asia Pacific, Europe and other regions contributed revenue of HK$27 million. Revenue of all of the Group's market regions decreased, led primarily by the fall in sales of the telecom products and child products.

CAPITAL STRUCTURE AND GEARING RATIO

	2019		2018	
HK$ million	**Amount**	**Relative %**	Amount	Relative %
Total bank and other borrowings	**97**	**8.7%**	144	10.9%
Issued capital	**1,839**		1,839	
Reserves	**(820)**		(666)	
Equity attributable to owners of the parent	**1,019**	**91.3%**	1,173	89.1%
Total capital employed	**1,116**	**100.0%**	1,317	100.0%

Equity attributable to owners of the parent as at 31 December 2019 was HK$1,019 million, down 13.1%, primarily due to net loss for the reporting year.

The Group's total borrowings were reduced by HK$47 million in 2019 as compared with 2018, due to net repayment during the year. The Group continued to maintain a very low gearing ratio of 8.7%, decreased from the gearing ratio of 10.9% one year earlier, reflecting its solid and healthy financial position.

The maturity profile of the outstanding borrowings in 2019 falling due within one year amounted to HK$97 million (2018: HK$144 million) and the outstanding borrowings falling due in the second to the fifth year amounted to less than HK$1 million (2018: less than HK$1 million). There was no material effect of seasonality on the Group's borrowing requirements.

LIQUIDITY AND FINANCIAL RESOURCES

HK$ million	**2019**	2018
Current assets	**1,950**	1,628
Current liabilities	**904**	702
Current ratio	**215.7%**	231.9%

The Group's current ratio was 215.7% as at 31 December 2019 (2018: 231.9%). The Company continued to maintain a very high current ratio and this indicated the liquid position of the Group's assets. Among the total cash balance of HK$185 million (2018: HK$138 million), this included deposits with an aggregate amount of HK$10 million (2018: HK$15 million) which were pledged for banking facilities.

In view of the Group's current cash position and the unutilised banking facilities available, the Group continued to maintain a sound financial position and has sufficient resources to finance its operations and its future expansion plan.

CAPITAL COMMITMENTS

As at 31 December 2019, the Group had no capital commitment (2018: nil).

TREASURY MANAGEMENT

The Group employs a conservative approach to cash management and risk control. To achieve better risk control and efficient fund management, the Group's treasury activities are centralised.

During the financial year 2019, the Group's receipts were mainly denominated in US$ and RMB. Payments were mainly made in HK$, US$ and RMB. Cash was generally placed in short-term deposits denominated in HK$ and RMB. In 2019, the Group's borrowings were mainly denominated in HK$ and interest on the borrowing was principally determined on a floating rate basis.

The objective of the Group's treasury policies is to minimise risks and exposures due to the fluctuations in foreign currency exchange rates and interest rates. The Group does not have any significant interest rate risk at present as the interest rates currently remain at low level. In terms of foreign exchange exposures, the Group is principally exposed to two major currencies, namely the US$ and RMB. Since the HK$ remains pegged to the US$, the exchange exposure to US currency is minimal. RMB depreciated during 2019. The depreciation of RMB did not give rise to significant financial impact on the Group's operations.

ACQUISITION AND DISPOSAL OF MATERIAL SUBSIDIARIES AND ASSOCIATES

The Group did not acquire or dispose of any material subsidiaries and associates during the year under review.

SIGNIFICANT INVESTMENT

The Group did not hold any significant investment as at 31 December 2019 (2018: nil).

PLEDGE OF ASSETS

As at 31 December 2019, certain of the Group's assets with a net book value of HK$43 million (2018: HK$125 million) and time deposits of the Group of HK$10 million (2018: HK$15 million) were pledged to secure banking facilities granted to the Group.

CONTINGENT LIABILITIES

As at 31 December 2019, the Group did not have any significant contingent liabilities.

EMPLOYEES AND REMUNERATION POLICY

The total number of employees of the Group as at 31 December 2019 was 54 (2018: 76). The Group's remuneration policy is built on principle of equality, motivating, performance-oriented and market-competitive remuneration package to employees. Remuneration packages are normally reviewed on an annual basis. Apart from salary payments, other staff benefits include provident fund contributions, medical insurance coverage and performance related bonuses. Share options may also be granted to eligible employees and persons of the Group. During the year ended 31 December 2019, 6,010 share options were exercised, 350,000,000 share options were lapsed and 7,830,000,000 share options were granted on 25 January 2019 under the Company's approved share option scheme. There were 16,134,993,990 share options outstanding as at 31 December 2019 (31 December 2018: 8,655,000,000 share options outstanding).

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

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the listed Shares during the year ended 31 December 2019.

CORPORATE GOVERNANCE

The Company has always recognised the importance of the shareholders' transparency and accountability. It is the belief of the Board that the Shareholders can maximise their benefits from good corporate governance. The Company is committed to maintaining and ensuring high standards of corporate governance in the interests of the Shareholders.

In the opinion of the Directors, the Company has complied with all the Code Provisions under the CG Code throughout the year ended 31 December 2019, except for the minor deviations from the following Code Provisions of the CG Code:-

Code Provision A.2.1: the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing; and

Code Provision A.4.2: all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Detailed information of such deviations and their respective considered reasons as well as other information on the corporate governance practices of the Company have been disclosed in the interim report of the Company for the six months ended 30 June 2019 and will be disclosed in the corporate governance report contained in the 2019 annual report of the Company, which will be despatched to the Shareholders on or before 29 April 2020.

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Company has adopted its code of conduct regarding the securities transactions by the Directors on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiry of all existing Directors, they confirmed that they have complied with the required standard set out in the Model Code adopted by the Company throughout the financial year ended 31 December 2019.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") since 2002 with specific written terms of reference formulated in accordance with the requirements of the Listing Rules. The Audit Committee consists of three members who are the three INEDs, namely Mr. Chow Siu Ngor ("**Mr. Chow**"), Mr. Lau Ho Kit, Ivan ("**Mr. Lau**") and Mr. Tam King Ching, Kenny ("**Mr. Kenny Tam**"). Each of Mr. Lau and Mr. Kenny Tam is a qualified accountant and has extensive accounting and financial experience. The Audit Committee is currently chaired by Mr. Lau. The Audit Committee held three meetings during the financial year ended 31 December 2019.

The Audit Committee has reviewed and discussed the adopted accounting principles and practices and the auditing, internal control and financial reporting matters of the Group. The Audit Committee has also reviewed the consolidated financial statements of the Group for the financial year ended 31 December 2019.

Further information of the Audit Committee will be disclosed in the corporate governance report contained in the 2019 annual report of the Company, which will be despatched to the Shareholders on or before 29 April 2020.

REMUNERATION COMMITTEE

The Company has established a remuneration committee (the "**Remuneration Committee**") since 2005 with specific written terms of reference formulated in accordance with the requirements of the Listing Rules. The Remuneration Committee consists of five members who are three INEDs, namely Mr. Chow, Mr. Lau and Mr. Kenny Tam and two executive Directors namely Mr. Mak Shiu Tong, Clement ("**Mr. Mak**") and Mr. Tam Ngai Hung, Terry ("**Mr. Terry Tam**"). The Remuneration Committee is currently chaired by Mr. Chow. The Remuneration Committee held two meetings during the financial year ended 31 December 2019.

Further information of the Remuneration Committee will be disclosed in the corporate governance report contained in the 2019 annual report of the Company, which will be despatched to the Shareholders on or before 29 April 2020.

NOMINATION COMMITTEE

The Company has established a nomination committee (the "**Nomination Committee**") since 2012 with specific written terms of reference in line with the Code Provisions under the CG Code. The Nomination Committee consists of five members who are three INEDs, namely Mr. Chow, Mr. Lau and Mr. Kenny Tam and two executive Directors, namely Mr. Mak and Mr. Terry Tam. The Nomination Committee is currently chaired by Mr. Mak. The Nomination Committee held one meeting during financial year ended 31 December 2019.

Further information of the Nomination Committee will be disclosed in the corporate governance report contained in the 2019 annual report of the Company, which will be despatched to the Shareholders on or before 29 April 2020.

INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE COMPANY

Each of the INEDs has filed a written confirmation to the Company confirming his independence pursuant to Rule 3.13 of the Listing Rules and has undertaken to inform the Stock Exchange and the Company as soon as practicable if there is any subsequent change in circumstances which may affect his independence. As at the date of this announcement, the INEDs were considered to be independent.

The Company has complied with Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the appointment of a sufficient number of the INEDs and at least an INED with appropriate professional qualifications or accounting or related financial management expertise and the number of INEDs representing at least one-third of the Board throughout the financial year ended 31 December 2019.

SCOPE OF WORK OF ERNST & YOUNG

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2019 as set out in the preliminary announcement have been agreed by the Group's auditors, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Ernst & Young 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 Ernst & Young on the preliminary announcement.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT, ANNUAL REPORT AND CORPORATE GOVERNANCE REPORT

The results announcement of the Company for the year ended 31 December 2019 is published on the website of the Company at www.gbaholdings.com/eng/investor/statutory.php and that of the Stock Exchange at www.hkexnews.hk. The 2019 annual report and corporate governance report will be despatched to the Shareholders and made available on the website of the Company and that of the Stock Exchange on or before 29 April 2020.

BOARD OF DIRECTORS

As at the date of this announcement, the executive Directors are Mr. Mak Shiu Tong, Clement, Ms. Cheng Yuk Ching, Flora and Mr. Tam Ngai Hung, Terry; and the INEDs are Mr. Chow Siu Ngor, Mr. Lau Ho Kit, Ivan and Mr. Tam King Ching, Kenny.

By Order of the Board of
GREATER BAY AREA INVESTMENTS GROUP HOLDINGS LIMITED
Mak Shiu Tong, Clement
Chairman

Hong Kong, 30 March 2020

ANNUAL RESULTS

The Board presents the consolidated annual results of the Group for the year ended 31 December 2019, together with the comparative amounts for the previous year as follows:

Consolidated Statement of Profit or Loss

For the year ended 31 December 2019

HK$ million	Notes	2019	2018
REVENUE			
- Revenue from contracts with customers	*4*	**261**	408
- Interest income	*4*	**22**	22
		283	430
Cost of sales		**(259)**	(393)
Gross profit		**24**	37
Other income and gains, net		**10**	14
Selling and distribution expenses		**(16)**	(16)
Administrative expenses		**(116)**	(95)
Other expenses, net		**(92)**	(14)
Finance costs	*5*	**(6)**	(10)
LOSS BEFORE TAX	*6*	**(196)**	(84)
Income tax credit/(expense)	*7*	**30**	(1)
LOSS FOR THE YEAR		**(166)**	(85)
Attributable to:			
Owners of the parent		**(168)**	(88)
Non-controlling interest		**2**	3
		(166)	(85)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*		
Basic and diluted		**(HK$0.09 cents)**	(HK$0.06 cents)

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2019

HK$ million	**2019**	2018
LOSS FOR THE YEAR	**(166)**	(85)
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(8)**	(44)
OTHER COMPREHENSIVE LOSS FOR THE YEAR	**(8)**	(44)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(174)**	(129)
Attributable to:		
Owners of the parent	**(176)**	(132)
Non-controlling interest	**2**	3
	(174)	(129)

Consolidated Statement of Financial Position

31 December 2019

HK$ million	*Notes*	2019	2018
ASSETS			
Non-current assets			
Property, plant and equipment	*10*	**2**	7
Investment properties		**43**	46
Goodwill		**-**	41
Loans and interest receivables	*11*	**-**	241
Total non-current assets		**45**	335
Current assets			
Properties under development		**945**	683
Properties held for sale		**323**	486
Trade receivables	*11*	**32**	89
Loans and interest receivables	*11*	**248**	153
Prepayments, other receivables and other assets		**217**	79
Pledged time deposits		**10**	15
Cash and cash equivalents		**175**	123
Total current assets		**1,950**	1,628
Total assets		**1,995**	1,963
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Issued capital		**1,839**	1,839
Reserves		**(820)**	(666)
		1,019	1,173
Non-controlling interest		**38**	36
Total equity		**1,057**	1,209
Non-current liabilities			
Deferred tax liabilities		**34**	52
Current liabilities			
Trade and bills payables	*12*	**137**	331
Tax payable		**15**	1
Other payables and accruals		**655**	226
Interest-bearing bank and other borrowings		**97**	144
Total current liabilities		**904**	702
Total liabilities		**938**	754
Total equity and liabilities		**1,995**	1,963
Net current assets		**1,046**	926
Total assets less current liabilities		**1,091**	1,261

Notes:

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest million except when otherwise indicated.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 9	*Prepayment Features with Negative Compensation*
HKFRS 16	*Leases*
Amendments to HKAS 19	*Plan Amendment, Curtailment or Settlement*
Amendments to HKAS 28	*Long-term Interests in Associates and Joint Ventures*
HK(IFRIC)-Int 23	*Uncertainty over Income Tax Treatments*
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

Except for the amendments to HKFRS 9, HKAS 19, HKAS 28 and *Annual Improvements to HKFRSs 2015-17 Cycle*, which are not relevant to the presentations of the Group's financial statements, the nature and the impact of the new and revised HKFRSs are described below:

(a) HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases - Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model to recognise and measure right-of-use assets and lease liabilities, except for certain recognition exemptions. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors continue to classify leases as either operating or finance leases using similar principles as in HKAS17.

The Group adopted HKFRS 16 using the modified retrospective method with the date of initial application of 1 January 2019. Under this method, the standard has been applied retrospectively with the cumulative effect of initial adoption recognised as an adjustment to the opening balance of accumulated losses at 1 January 2019, and the comparative information for 2018 was not restated and continued to be reported under HKAS 17 and related interpretation.

New definition of a lease

Under HKFRS 16, a contract, is or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

As a lessee – Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16
The Group has lease contracts for various properties. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low-value assets (elected on a lease-by-lease basis) and leases with a lease term of 12 months or less ("short-term leases") (elected by class of underlying asset). Instead of recognising rental expenses under operating leases on a straight-line basis over the lease term commencing from 1 January 2019, the Group recognises depreciation (and impairment, if any) of the right-of-use assets and interest accrued on the outstanding lease liabilities (as finance costs).

Impacts on transition
Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019 and included in interest-bearing bank and other borrowings. The right-of-use assets were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 January 2019. The right-of-use assets were included in the property, plant and equipment.

All these assets were assessed for any impairment based on HKAS 36 on that date. As at the date of initial adoption, impairment loss on right-of-use assets of HK$2 million was recognised in accumulated losses.

For the leasehold land and buildings (that were held to earn rental income and/or for capital appreciation) previously included in investment properties and measured at fair value, the Group has continued to include them as investment properties at 1 January 2019. They continue to be measured at fair value applying HKAS 40.

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 January 2019:

- Applying the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application

- Using hindsight in determining the lease term where the contract contains options to extend/terminate the lease

Financial impacts at 1 January 2019

	Increase HK$ million
Liabilities	
Increase in interest-bearing bank and other borrowings	2
Increase in accumulated losses	2

The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 are as follows:

	HK$ million
Operating lease commitments as at 31 December 2018	-#
Add: Payments to optional extension periods not recognised as at 31 December 2018	2
	2
Weighted average incremental borrowing rate as at 1 January 2019	3.89%
Lease liabilities as at 1 January 2019	2

#Less than HK$1 million

(b) HK(IFRIC)-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as "uncertain tax positions"). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. The interpretation did not have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and has the following reportable operating segments:

(a) the products trading business segment representing the sale and supply of telecom and electronic products and infant and baby products;

(b) the property business segment representing the development and sale of properties; and

(c) the finance business segment representing the finance business.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that non-lease-related finance costs, equity-settled share option expense, the head office and corporate expenses are excluded from such measurement.

Segment assets exclude corporate and other unallocated assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities and corporate and other unallocated liabilities as these liabilities are managed on a group basis.

For the year ended 31 December 2019

HK$ million	Products trading business	Property business	Finance business	Reconciliations	Total
Segment revenue:					
Sales to external customers	149	112	22	-	283
Other revenue	10	-	-	-	10
	159	112	22	-	293
Operating (loss)/profit	(17)	(77)	10	-	(84)
Impairment of goodwill	-	-	(41)	-	(41)
Finance costs	(5)	(1)	-	-	(6)
Reconciled items:					
Corporate and other unallocated expenses	-	-	-	(41)	(41)
Equity-settled share option expense	-	-	-	(24)	(24)
Loss before tax	(22)	(78)	(31)	(65)	(196)
Income tax credit					30
Loss for the year					(166)
Other segment information:					
Expenditure for non-current assets	1	-	-	-	1
Depreciation	(3)	-	-	-	(3)
Other material non-cash items:					
Impairment of trade receivables	(8)	-	-	-	(8)
Equity-settled share option expense	-	-	-	(24)	(24)
Fair value loss of investment properties	(3)	-	-	-	(3)
Impairment of items of property, plant and equipment	(2)	-	(1)	-	(3)
Write-down of properties held for sale to net realisable value	-	(37)	-	-	(37)
Impairment loss on goodwill	-	-	(41)	-	(41)
Segment assets:	144	1,437	327	-	1,908
Reconciled items:					
Corporate and other unallocated assets	-	-	-	87	87
Total assets	144	1,437	327	87	1,995
Segment liabilities:					
Reconciled items:	121	760	6	-	887
Corporate and other unallocated liabilities	-	-	-	51	51
Total liabilities	121	760	6	51	938

For the year ended 31 December 2018

HK$ million	Products trading business	Property business	Finance business	Reconciliations	Total
Segment revenue:					
Sales to external customers	333	75	22	-	430
Other revenue	10	2	2	-	14
	343	77	24	-	444
Operating profit/(loss)	4	(48)	21	-	(23)
Impairment of goodwill	-	-	(4)	-	(4)
Finance costs	(6)	(4)	-	-	(10)
Reconciled items:					
Corporate and other unallocated expenses	-	-	-	(29)	(29)
Equity-settled share option expense	-	-	-	(18)	(18)
(Loss)/profit before tax	(2)	(52)	17	(47)	(84)
Income tax expense					(1)
Loss for the year					(85)
Other segment information:					
Expenditure for non-current assets	1	-	-	-	1
Depreciation	(2)	-	-	-	(2)
Other material non-cash items:					
Impairment on trade receivables	(1)	(2)	-	-	(3)
Equity-settled share option expense	-	-	-	(18)	(18)
Fair value gain of investment properties	2	-	-	-	2
Write-down of properties held for sale to net realisable value	-	(5)	-	-	(5)
Impairment of goodwill	-	-	(4)	-	(4)
Segment assets:	225	1,245	443	-	1,913
Reconciled items:					
Corporate and other unallocated assets	-	-	-	50	50
Total assets	225	1,245	443	50	1,963
Segment liabilities:	207	490	3	-	700
Reconciled items:					
Corporate and other unallocated liabilities	-	-	-	54	54
Total liabilities	207	490	3	54	754

Geographical information

(a) Revenue from external customers

HK$ million	**2019**	2018
Mainland China and Hong Kong	**192**	234
North America	**64**	112
Asia Pacific, Europe and others	**27**	84
	283	430

The revenue information above is based on the final locations where the Group's products and properties were sold to customers.

(b) Non-current assets

HK$ million	**2019**	2018
Hong Kong	**-**	6
Mainland China	**45**	88
	45	94

The non-current assets information is based on the locations of the assets and excludes financial instruments.

Information about major customers

For the year ended 31 December 2019, revenue of approximately HK$34 million was derived from sales by the property business segment to one customer, which individually accounted for over 10% of the Group's total revenue.

For the year ended 31 December 2019, revenue of approximately HK$40 million and HK$74 million (2018: HK$127 million and HK$106 million) were derived from sales by the products trading segment to two (2018: two) customers, which individually accounted for over 10% of the Group's total revenue.

4. REVENUE

An analysis of revenue is as follows:

HK$ million	**2019**	2018
Revenue from contracts with customers		
Sale of telecom, electronic and child products	**149**	333
Sale of properties	**112**	75
	261	408
Revenue from other sources		
Interest income from loans receivable	**22**	22
	283	430

<u>Revenue from contracts with customers</u>
(i) Disaggregated revenue information

For the year ended 31 December 2019

HK$ million	**Sale of telecom, electronic and child products**	**Sale of properties**	**Total**
Geographical markets:			
Mainland China and Hong Kong	58	112	170
North America	64	-	64
Asia Pacific, Europe and others	27	-	27
Total revenue from contracts with customers	149	112	261
Timing of revenue recognition:			
Goods transferred at a point in time	149	112	261

For the year ended 31 December 2018

HK$ million	Sale of telecom, electronic and child products	Sale of properties	Total
Geographical markets:			
Mainland China and Hong Kong	137	75	212
North America	112	-	112
Asia Pacific, Europe and others	84	-	84
Total revenue from contracts with customers	333	75	408
Timing of revenue recognition:			
Goods transferred at a point in time	333	75	408

(ii) Performance obligations
Information about the Group's performance obligations is summarised below:

Sale of telecom, electronic and child products
The performance obligation is satisfied upon transfer of products to customer, generally on delivery of the telecom, electronic and child products.

Sales of properties
The performance obligation is satisfied upon transfer of properties to the buyers and the Group has the present right to payment and the collection of the consideration is probable.

5. FINANCE COSTS

An analysis of finance costs is as follows:

HK$ million	**2019**	2018
Interest on bank loans	**6**	10
Interest on lease liabilities	**-#**	-
Interest expenses arising from revenue contracts	**28**	-
Less: Interest capitalised	**(28)**	-
Total interest expenses on financial liabilities not at fair value through profit or loss	**6**	10

#Less than HK$1 million

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

HK$ million	**2019**	2018
Cost of inventories sold	**139**	311
Cost of properties sold	**120**	82
Depreciation	**3**	2
Minimum lease payments under operating leases	**-**	3
Lease payment not included in the measurement of lease liabilities	**14**	-
Research and development costs:		
Current year expenditure	**9**	22
Auditor's remuneration	**3**	3
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages and salaries	**10**	19
Equity-settled share option expense	**12**	4
Pension scheme contributions	**1**	1
	23	24
Impairment of trade receivables, net	**8**	3
Gross rental income	**(2)**	(1)
Changes in fair value of investment properties	**3**	(2)
Impairment of items of property, plant and equipment	**3**	-
Write-down of properties held for sale to net realisable value	**37**	5
Equity-settled share option expense	**24**	18
Impairment loss on goodwill	**41**	4

7. INCOME TAX (CREDIT) / EXPENSE

No provision for Hong Kong profits tax has been made during the current and prior years as the Group did not generate any assessable profits in Hong Kong during these years. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

HK$ million	**2019**	2018
Current — Mainland China		
Mainland China land appreciation tax	**1**	1
Mainland China corporate income tax	**-**	2
Overprovision in prior year	**(13)**	-
Deferred	**(18)**	(2)
Total tax (credit)/expense for the year	**(30)**	1

8. DIVIDENDS

No dividends have been paid or declared by the Company for the year ended 31 December 2019 (2018: nil).

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts for the year are based on the loss for the year attributable to ordinary equity holders of the parent of HK$168 million (2018: HK$88 million) and the weighted average number of 183,846,096,987 (2018: 143,543,045,497) ordinary shares in issue during the year.

No adjustment has been made to the basic loss per share amounts presented for the years ended 31 December 2019 and 2018 in respect of a dilution as the impact of the outstanding share options had an anti-dilutive effect on the basic loss per share amounts presented.

10. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2019, the Group acquired fixed assets of HK$1 million (2018: HK$1 million).

11. TRADE, LOANS AND INTEREST RECEIVABLES

HK$ million	2019	2018
Trade receivables	**32**	89

An aging analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2019		2018	
HK$ million	**Balance**	**Percentage**	Balance	Percentage
Current to 30 days	**1**	**3**	21	24
31 to 60 days	**1**	**3**	20	22
61 to 90 days	**1**	**3**	6	7
Over 90 days	**29**	**91**	42	47
	32	**100**	89	100

The Group allows an average credit period of 60 to 90 days to its trade customers.

The Group's loans and interest receivables of HK$248 million related to the finance business in Hong Kong. The loans and interest receivables were secured, interest-bearing and repayable in one year. As at 31 December 2019, the loans and interest receivables of HK$248 million were neither past due nor impaired.

12. TRADE AND BILLS PAYABLES

An aging analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2019		2018	
HK$ million	**Balance**	**Percentage**	Balance	Percentage
Current to 30 days	**2**	**1**	21	6
31 to 60 days	**2**	**1**	21	6
61 to 90 days	**3**	**2**	11	3
Over 90 days	**130**	**96**	278	85
	137	**100**	331	100

As at 31 December 2018, included in the trade and bills payables were trade payables of HK$9 million due to CCT Plastic Limited, a wholly-owned subsidiary of CCT Fortis, which were unsecured, interest-free and repayable within 90 days from the invoice date.

The trade payables are non-interest-bearing and are normally settled on terms ranging from 30 to 120 days.

13. EVENTS AFTER REPORTING PERIOD

The outbreak of coronavirus disease 2019 ("**COVID-19**") since early 2020 has brought about additional uncertainties in the Group's operating environment and may impact the Group's operations and financial position. The Group has been closely monitoring the impact from the COVID-19 on the Group's businesses and has put in place various measures. Based on information currently available, the Directors confirm that there has been no material adverse change in the financial position or operation of the Group up to the date of this announcement. However, the actual impacts may differ from these estimates as the situation continues to evolve and further information become available.

14. COMPARATIVE AMOUNTS

As further explained in Note 2, the Group adopted HKFRS 16 on 1 January 2019 using the modified retrospective approach. Under this approach, the comparative amounts in the financial statements were not restated and continued to be reported under the requirements of the previous standard, HKAS 17, and related interpretations.

GLOSSARY OF TERMS

GENERAL TERMS

"Board"	The board of the Company
"CCT Fortis"	CCT Fortis Holdings Limited (stock code: 138), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange, being a substantial shareholder of the Company
"CCT Fortis Group"	CCT Fortis and its subsidiaries, from time to time
"CG Code"	The corporate governance code as set out in Appendix 14 to the Listing Rules
"Chairman"	The chairman of the Company
"China" or "PRC"	The People's Republic of China
"Company"	Greater Bay Area Investments Group Holdings Limited (stock code: 261), a company incorporated in Bermuda with limited liability, the Shares are listed on the Main Board of the Stock Exchange
"connected person"	Has the same meaning as ascribed to it under the Listing Rules
"Director(s)"	The director(s) of the Company
"EV"	Electric vehicle
"Finance Business"	The finance business engaged by the Group in the Mainland China and the money lender business in Hong Kong
"Group"	The Company and its subsidiaries, from time to time
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	The Hong Kong Special Administrative Region of the PRC
"INED(s)"	Independent non-executive Director(s)
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"Mainland China"	The mainland of the PRC
"Model Code"	The Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules
"N/A"	Not applicable

"Products Trading Business"	The business of trading of the indoor-used cordless phones, related telecom products and accessories and the supply of the child products to the CCT Fortis Group
"Property Business"	The development and sale of land and properties
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	Ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	Holder(s) of the issued Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"USA"	The United States of America
"US$"	United States dollar(s), the lawful currency of the USA
"%"	Per cent.

FINANCIAL TERMS

"current ratio"	Current assets divided by current liabilities
"gearing ratio"	Total borrowings (representing bank and other borrowings) divided by total capital employed (representing total Shareholders' fund plus total borrowings)
"loss per share"	Loss attributable to ordinary equity holders of the parent divided by weighted average number of ordinary shares in issue during the period
"operating profit/(loss)"	Operating profit/(loss) before interest, unallocated and corporate items, and tax