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SunCorp Technologies Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1063)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022

The board of directors (the “Board” or “Directors”) of SunCorp Technologies Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2022, together with the comparative figures for the corresponding year ended 31 December 2021, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2022

	Note	2022 HK\$'000	2021 HK\$'000
Revenue	4	128,035	199,967
Costs of sales		<u>(112,036)</u>	<u>(174,624)</u>
Gross profit		15,999	25,343
Other income	5	612	211
Distribution and selling expenses		(3,121)	(6,091)
Operating expenses		(13,199)	(25,152)
Provision for expected credit losses (“ECL”) on trade, other and loan receivables, net		(40,603)	(68,286)
Fair value (losses)/gains on financial assets at fair value through profit or loss (“FVTPL”)			
– Unrealised		(21,519)	16,743
– Realised		4,823	16
Loss from operation		(57,008)	(57,216)
Share of result of an associate		(54)	–
Finance costs	7	(292)	(470)
Loss before tax		(57,354)	(57,686)
Income tax expense	8	–	(1,154)
Loss for the year	9	(57,354)	(58,840)

	<i>Note</i>	2022 HK\$'000	2021 <i>HK\$'000</i>
Other comprehensive income			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		<u>(1)</u>	<u>–</u>
Loss and total comprehensive income for the year		<u>(57,355)</u>	<u>(58,840)</u>
Loss for the year attributable to:			
Owner of the Company		(56,992)	(58,753)
Non-controlling interests		<u>(362)</u>	<u>(87)</u>
		<u>(57,354)</u>	<u>(58,840)</u>
Loss and total comprehensive income for the year attributable to:			
Owner of the Company		(56,993)	(58,753)
Non-controlling interests		<u>(362)</u>	<u>(87)</u>
		<u>(57,355)</u>	<u>(58,840)</u>
Loss per share attributable to owners of the Company (HK cents)			
	<i>11</i>		
– Basic		<u>(3.74)</u>	<u>(5.09)</u>
– Diluted		<u>N/A</u>	<u>N/A</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2022

	<i>Note</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		–	–
Right-of-use assets		169	395
Investment in an associate		79	–
Deposits		205	205
Deferred tax assets		23	23
		<hr/> 476	<hr/> 623
Current assets			
Inventories		4,758	–
Trade and other receivables	<i>12</i>	68,100	61,841
Loan receivables	<i>13</i>	101,153	119,013
Financial assets at FVTPL		74,974	87,284
Tax recoverable		123	123
Cash and bank balances			
– Segregated accounts		5,742	7,223
– House accounts		26,848	52,875
		<hr/> 281,698	<hr/> 328,359
Current liabilities			
Trade and other payables	<i>14</i>	74,726	65,703
Lease liabilities	<i>15</i>	1,310	1,304
Bank loan		2,177	2,905
		<hr/> 78,213	<hr/> 69,912
Net current assets		<hr/> 203,485	<hr/> 258,447
Total assets less current liabilities		<hr/> 203,961	<hr/> 259,070
Non-current liabilities			
Lease liabilities	<i>15</i>	752	2,062
Net assets		<hr/> 203,209	<hr/> 257,008
Equity			
Capital and reserves attributable to owners of the Company			
Share capital	<i>16</i>	9,231	8,958
Reserves		194,428	248,138
		<hr/> 203,659	<hr/> 257,096
Non-controlling interest		(450)	(88)
Total equity		<hr/> 203,209	<hr/> 257,008

Notes:

1. GENERAL

SunCorp Technologies Limited (the “**Company**”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act of Bermuda. The addresses of the registered office and principal place of business of the Company are Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and Unit 2305, 23/F., The Center, 99 Queen’s Road Central, Hong Kong, respectively. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 10 May 1994.

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

2. BASIS OF PREPARATION

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

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

3. ADOPTION OF NEW AND REVISED HKFRSs

(a) Application of new and revised HKFRSs

The Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2022 for the preparation of the consolidated financial statements:

Amendments to HKFRS 3	Business Combination – Reference to the Conceptual Framework
Amendments to HKAS 16	Property, plant and equipment – proceeds before intended use
Amendments to HKAS 37	Onerous contracts – cost of fulfilling a contract
Amendments to Accounting Guideline 5 (Revised)	Merger Accounting for Common Control Combinations
Annual Improvements to HKFRSs 2018-2020	Amendments to HKFRS 1, HKFRS 9, HKFRS 16 and HKAS 41

The application of the amendments to HKFRSs in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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

The Group has not early applied any new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning on or after 1 January 2022. These new and revised HKFRSs include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKAS 1 and HKFRS Practice Statement 2 – Disclosure of Accounting Policies	On or after 1 January 2023
Amendments to HKAS 8 – Definition of Accounting Estimates	On or after 1 January 2023
Amendments to HKAS 12 – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	On or after 1 January 2023
Amendments to HKAS 1 – Classification of Liabilities as Current or Non-current	On or after 1 January 2024
Amendments to HKAS 1 – Non-current liabilities with Covenants	1 January 2024
Amendments to HKFRS 16 – Lease Liability in a Sales and Leaseback	On or after 1 January 2024
Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	On or after 1 January 2024
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

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

4. REVENUE

Disaggregation of revenue

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

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Revenue from contracts with customers within the scope of HKFRS 15:		
Disaggregated by major products or service lines		
Sales of telephones and related components	–	10,007
Processing and trading of used computer-related components	46,148	81,503
Commission from securities dealing and brokerage services	355	338
Commission from placing and underwriting service	2,104	1,602
Sales of clothes and beauty product	68,188	86,344
	<u>116,795</u>	<u>179,794</u>
Revenue from other sources:		
Interest income from money lending services	10,973	20,109
Interest and related income from securities	267	64
	<u>11,240</u>	<u>20,173</u>
Total revenue	<u>128,035</u>	<u>199,967</u>

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

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Timing of revenue recognition:		
At a point in time	<u>116,795</u>	<u>179,794</u>
Geographical market:		
People's Republic of China ("PRC") (including Hong Kong)	73,107	113,368
India	705	333
Indonesia	36,921	52,687
United States of America ("USA")	6,033	5,311
Others	29	8,095
	<u>116,795</u>	<u>179,794</u>

5. OTHER INCOME

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Bank interest income	1	–
Sundry income	307	211
Government grant (<i>note</i>)	304	–
	<hr/>	<hr/>
	612	211
	<hr/> <hr/>	<hr/> <hr/>

note: The amount mainly represents the receipts from Employment Support Scheme provides by the Hong Kong government. The conditions of the government grant were fulfilled during the year ended 31 December 2022.

6. SEGMENT INFORMATION

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

The Group has five operating segments as follows:

- (i) Sales of telephones and related components;
- (ii) Processing and trading of used computer-related components;
- (iii) Money lending services;
- (iv) Provision of securities brokerage, placing and underwriting services; and
- (v) Sales of clothes and beauty product.

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

Information about operating segment profit or loss, assets and liabilities

	Telephones and related components <i>HK\$'000</i>	Used computer- related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	Sales of clothes and beauty product <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the year ended 31 December 2022						
Revenue	-	46,148	10,973	2,726	68,188	128,035
Segment (loss)/profit	<u>(517)</u>	<u>(681)</u>	<u>(31,905)</u>	<u>109</u>	<u>(178)</u>	<u>(33,172)</u>
Fair value gains/(losses) on financial assets at FVTPL:						
- Unrealised						(21,519)
- Realised						4,823
Unallocated expenses						(7,140)
Share of result of associate						(54)
Finance costs						<u>(292)</u>
Loss before tax						<u><u>(57,354)</u></u>
As at 31 December 2022						
Segment assets	67	10,076	103,359	29,915	46,644	190,061
Unallocated assets						<u>92,113</u>
						<u><u>282,174</u></u>
Segment liabilities	29,322	2,531	7,687	5,873	29,861	75,274
Unallocated liabilities						<u>3,691</u>
						<u><u>78,965</u></u>

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

	Telephones and related components <i>HK\$'000</i>	Used computer- related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	Sales of clothes and beauty products <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the year ended 31 December 2021						
Revenue	10,007	81,503	20,109	2,004	86,344	199,967
Segment (loss)/profit	<u>(999)</u>	<u>284</u>	<u>(61,884)</u>	<u>(2,825)</u>	<u>612</u>	<u>(64,812)</u>
Fair value gains/(losses) on financial assets at						
FVTPL:						
– Unrealised						16,743
– Realised						16
Unallocated expenses						(9,163)
Finance costs						<u>(470)</u>
Loss before tax						<u><u>(57,686)</u></u>
As at 31 December 2021						
Segment assets	244	12,889	120,080	22,572	30,489	186,274
Unallocated assets						<u>142,708</u>
						<u><u>328,982</u></u>
Segment liabilities	28,983	4,494	9,482	11,945	13,582	68,486
Unallocated liabilities						<u>3,488</u>
						<u><u>71,974</u></u>

Other segment information

For the year ended 31 December 2022

	Telephones and related components <i>HK\$'000</i>	Used computer- related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	Sales of clothes and beauty product <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
<i>Amounts included in the measure of segment profit or loss:</i>							
Depreciation of right-of-use assets	-	226	-	-	-	-	226
Fair value (gains)/losses on financial assets at FVTPL:							
- Unrealised	-	-	-	-	-	21,519	21,519
- Realised	-	-	-	-	-	(4,823)	(4,823)
Provision/(reversal) for ECL on:							
- loan receivables	-	-	38,140	-	-	-	38,140
- trade receivables	-	23	-	28	241	-	292
- other receivables	123	928	150	(2)	45	927	2,171
Interest expense	-	-	-	-	-	292	292

For the year ended 31 December 2021

	Telephones and related components <i>HK\$'000</i>	Used computer- related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	Sales of clothes and beauty product <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
<i>Amounts included in the measure of segment profit or loss:</i>							
Depreciation of property, plant and equipment	-	-	424	-	5	-	429
Depreciation of right-of-use assets	-	56	1,086	-	-	-	1,142
Impairment property, plant and equipment	-	-	1,890	-	-	-	1,890
Impairment of right-of-use assets	-	-	2,895	-	-	-	2,895
Fair value (gains)/losses on financial assets at FVTPL:							
- Unrealised	-	-	-	-	-	(16,743)	(16,743)
- Realised	-	-	-	-	-	(16)	(16)
Provision/(reversal) for ECL on:							
- loan receivables	-	-	68,078	-	-	-	68,078
- trade receivables	633	52	-	-	(345)	-	340
- other receivables	(12)	(52)	(3)	-	-	(65)	(132)
Share-based payment expense	-	-	-	-	-	2,819	2,819
Interest expense	-	-	-	-	-	470	470
Additions to right-of-use assets	-	452	3,980	-	-	-	4,432

Geographical information

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

	Revenue from external customers		Non-current assets	
	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
PRC (including Hong Kong)	84,347	133,541	169	395
India	705	333	–	–
Indonesia	36,921	52,687	–	–
USA	6,033	5,311	–	–
Others	29	8,095	–	–
	<u>128,035</u>	<u>199,967</u>	<u>169</u>	<u>395</u>

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

Revenue from major customers

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

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Customer A (<i>note 1</i>)	24,360	27,470
Customer B (<i>note 1</i>)	43,828	58,874
Customer C (<i>note 2</i>)	19,898	29,955

note 1: Revenue from sales of clothes and beauty product segment.

note 2: Revenue from processing and trading of used computer-related components segment.

7. FINANCE COSTS

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Interest on lease liabilities	137	186
Interest on bank loan	155	284
	<u>292</u>	<u>470</u>

8. INCOME TAX EXPENSE

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Current tax – Hong Kong Profits Tax		
Under-provision in prior years	–	198
Deferred tax	–	956
	<u>–</u>	<u>1,154</u>
	<u>–</u>	<u>1,154</u>

For the years ended 31 December 2022 and 2021, Hong Kong Profits Tax has not been provided in the consolidated financial statements as the Group's Hong Kong subsidiaries either did not have assessable profit or had sufficient tax losses brought forward to offset against current year's assessable profits.

For the years ended 31 December 2022 and 2021, under the two-tiered profits tax regime, profits tax rate for the first HK\$2 million of assessable profits of qualifying corporations established in Hong Kong will be lowered to 8.25%, and profits above that amount will be subject to the tax rate of 16.5%.

No provision for PRC Enterprise Income Tax has been made for the years ended 31 December 2022 and 2021 as the Group's PRC subsidiary did not generate any assessable profits during the years.

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

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Loss before tax	<u>(57,354)</u>	<u>(57,686)</u>
Tax at the domestic income tax rate of 16.5% (2021: 16.5%)	(9,464)	(9,518)
Tax effect of expenses not deductible for tax purpose	367	1,320
Tax effect of income not taxable for tax purpose	(796)	(2,763)
Tax effect of tax losses not recognised	25,290	11,611
Tax effect of temporary difference not recognised	(14,497)	1,321
Tax effect of utilisation of tax losses not previously recognised	(882)	(1,003)
Tax effect of two-tiered tax regime	(9)	(6)
Tax concession	(9)	(6)
Under-provision in prior years	–	198
Income tax expense	<u>–</u>	<u>1,154</u>

9. LOSS FOR THE YEAR

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

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Directors' emoluments	738	1,287
Other staff costs	4,291	6,342
	<u>5,029</u>	<u>7,629</u>
Total directors' emoluments and other staff costs (<i>note</i>)		
Auditors' remuneration	630	600
Cost of goods sold and services recognised as an expense	112,036	174,624
Depreciation of property, plant and equipment	–	429
Depreciation of right-of-use assets	226	1,142
Impairment of right-of-use assets	–	2,895
Impairment of property, plant and equipment	–	1,890
Equity-settled share-based payments (<i>note</i>)	–	2,819
Provision/(reversal) for ECL on:		
– trade receivables	292	340
– other receivables	2,171	(132)
– loan receivables	38,140	68,078
Expenses related to short term lease	60	–
COVID-19 related rent concessions received	–	(29)
Net foreign exchange losses	3	50

note:

Equity-settled share-based payments of Nil (2021: approximately HK\$564,000) and Nil (2021: approximately HK\$2,255,000) were included in directors' emoluments and other staff costs respectively.

10. DIVIDENDS

No dividend was paid or proposed during the year ended 31 December 2022, nor has any dividend been proposed since the end of the reporting period (2021: Nil).

11. LOSS PER SHARE

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

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Loss		
Loss for the year attributable to owners of the Company for the purpose of basic loss per share	<u>(56,992)</u>	<u>(58,753)</u>
	2022 <i>'000</i>	2021 <i>'000</i>
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>1,524,045</u>	<u>1,154,471</u>

No diluted loss per share is presented for the years ended 31 December 2022 and 2021, as the outstanding share options did not have any dilutive effect and was not included in the calculation of diluted loss per share.

12. TRADE AND OTHER RECEIVABLES

	Note	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Trade receivables arising from the ordinary course of business of dealing in securities transactions:			
– Cash clients	(a)	8,407	4,956
Less: Allowance for ECL		(93)	(64)
		<u>8,314</u>	<u>4,892</u>
Trade receivables from other ordinary course of business, other than business of dealing in securities transactions	(b)	44,776	35,834
Less: Allowance for ECL		(812)	(1,728)
		<u>43,964</u>	<u>34,106</u>
Deposits in brokerage firms		–	4,430
Deposits, prepayments and other receivables	(c)	18,197	18,617
Less: Allowance for ECL		(2,375)	(204)
		<u>15,822</u>	<u>22,843</u>
Total trade and other receivables		<u><u>68,100</u></u>	<u><u>61,841</u></u>

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

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

The normal settlement terms of trade receivables from clients and clearing house arising from the ordinary course of business of securities brokerage services are 2 trading days (2021: 2 trading days) after the trade date.

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

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
0-30 days	77	4,575
31-60 days	1,602	3
61-90 days	317	3
Over 90 days	6,318	311
	<u>8,314</u>	<u>4,892</u>

Trade receivables due from cash clients are secured by clients' securities, which are publicly traded equity securities listed in Hong Kong. The fair values of the securities as at 31 December 2022 were approximately HK\$123,389,000 (2021: HK\$19,180,000). As at 31 December 2022 and 2021, all balances were secured by sufficient collateral on an individual basis.

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

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

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

(b) Trade receivables arising from other businesses

The Group allows a credit period from 30 to 90 days (2021: 30 to 90 days) to its customers. The ageing analysis of trade receivables arising from other course of business other than business of dealing in securities transactions, based on invoice date, and net of allowance, is as follows:

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
0 – 30 days	5,798	10,352
31 – 60 days	5,160	7,757
61 – 90 days	8,023	7,192
Over 90 days	24,983	8,805
	<hr/> 43,964 <hr/>	<hr/> 34,106 <hr/>

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

Details of impairment assessment of trade receivables for the years ended 31 December 2022 and 2021 are set out in notes to the consolidated financial statements.

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

(c) Deposits, prepayments and other receivables

Amount due from a subsidiary's director of approximately HK\$4,176,000 (net of allowance of approximately HK\$1,006,000) (2021: HK\$4,717,000 (net of allowance of approximately HK\$89,000)) was included in the deposits, prepayments and other receivables. The amount due is unsecured, interest-free and repayable on demand.

13. LOAN RECEIVABLES

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

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
0 – 90 days	17,434	170,978
91 – 180 days	38,512	39,640
181 – 365 days	102,519	77,407
	<hr/>	<hr/>
	158,465	288,025
Less: Allowance for ECL	(57,312)	(169,012)
	<hr/>	<hr/>
	101,153	119,013
	<hr/> <hr/>	<hr/> <hr/>

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

The loan receivables are repayable in accordance with the terms of the loan agreements and all loan receivables are recoverable within 1 year (2021: 1 year).

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

As at 31 December 2022, the Group's loan receivables are denominated in HK\$ and carried at fixed effective interest rate ranging from 8% to 10% (2021: 8% to 10%) per annum and with the terms of 1 year (2021: 1 year)

14. TRADE AND OTHER PAYABLES

	<i>Note</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Trade payables arising from the ordinary course of business of dealing in securities transactions:			
– Cash clients	<i>(a)</i>	5,397	11,823
Trade payables from purchase of goods arising from other ordinary course of business, other than business of dealing in securities transactions	<i>(b)</i>	55,701	40,704
Other payables and accrued expenses		13,428	12,976
Provision for reinstatement cost	<i>(c)</i>	200	200
		<hr/>	<hr/>
		74,726	65,703
		<hr/> <hr/>	<hr/> <hr/>

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

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

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

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

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

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
0 – 30 days	7,578	8,390
31 – 60 days	4,572	4,112
61 – 90 days	8,118	702
Over 90 days	35,433	27,500
	<u>55,701</u>	<u>40,704</u>

The credit period on purchase of goods ranges from 30 to 60 days (2021: 30 to 60 days).

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

(c) **Movement of the provision for reinstatement cost**

	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
At 1 January	200	–
Provision for reinstatement cost recognised during the year	–	200
	<u>200</u>	<u>200</u>
At 31 December	<u>200</u>	<u>200</u>

15. LEASE LIABILITIES

	Minimum lease payments		Present value of minimum lease payments	
	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
Within one year	1,382	1,442	1,310	1,304
In the second to fifth years, inclusive	767	2,148	752	2,062
	<u>2,149</u>	3,590	<u>2,062</u>	3,366
Less: Future finance charges	(87)	(224)	N/A	N/A
	<u>2,062</u>	<u>3,366</u>	<u>2,062</u>	3,366
Less: Amount due for settlement within 12 months (shown under current liabilities)			<u>(1,310)</u>	<u>(1,304)</u>
Amount due for settlement after 12 months			<u>752</u>	<u>2,062</u>

All lease liabilities are denominated in HK\$.

The incremental borrowing rates applied to lease liabilities is 5% (2021: 5%).

16. SHARE CAPITAL

	2022		2021	
	Number of ordinary shares '000	Amount HK\$'000	Number of ordinary shares '000	Amount HK\$'000
At 1 January and 31 December, ordinary share of HK\$0.006	<u>100,000,000</u>	<u>600,000</u>	<u>100,000,000</u>	<u>600,000</u>
Issued and fully paid:				
At 1 January, ordinary share of HK\$0.006	1,492,937	8,958	912,937	5,477
Issue of shares upon exercise of share options (<i>note i</i>)	45,600	273	–	–
Placing of shares (<i>note ii</i>)	–	–	580,000	3,481
At 31 December, ordinary share of HK\$0.006	<u>1,538,537</u>	<u>9,231</u>	<u>1,492,937</u>	<u>8,958</u>

notes:

- (i) During the year ended 31 December 2022, 45,600,000 options were exercised at the exercise price of HK\$0.078 per share, resulting in the issuance of 45,600,000 new shares of HK\$0.006 each. Proceeds from exercising the share options amounted to approximately HK\$3,556,000.
- (ii) On 23 April 2021, the Company and the placing agent entered into the placing agreement pursuant to which the placing agent has conditionally agreed to place, on a best effort basis, to not less than six places, for up to 580,000,000 placing shares at the placing price of HK\$0.1 per placing share (the “**Placing**”). The placing of new shares was completed on 2 August 2021. The Company received net proceeds, after deducting the related expenses and the other related expenses, from the placing amounted to approximately HK\$57,997,000.

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

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

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

During the years ended 31 December 2022 and 2021, the Group complied with the above liquid capital requirements.

The Group receives a report from the share registrars monthly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit throughout the years ended 31 December 2022 and 2021.

Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowing for the years ended 31 December 2022 and 2021.

DIRECTOR'S STATEMENT

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of SunCorp Technologies Limited (the “**Company**”), I present to you the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2022.

BUSINESS REVIEW

During the year of review, the Group mainly engaged in (i) the processing and trading of used computer-related components business; (ii) the money lending business; (iii) the securities brokerage, placing and underwriting business and (iv) the clothes and beauty products business.

For the year ended 31 December 2022, the Group's revenue amounted to approximately HK\$128.0 million, representing a decrease of approximately 36.0% as compared with the revenue of approximately HK\$200.0 million in 2021. In relation to the Group's revenue, approximately 36.0% results from the processing and trading of used computer-related components, approximately 8.6% resulted from interest income earned from money lending business, approximately 2.1% contributed from securities brokerage, placing and underwriting business and approximately 53.3% contributed by clothes and beauty products business.

Gross profit from operation for the year under review was approximately HK\$16.0 million, representing a decrease of approximately 36.8% as compared with the gross profit of approximately HK\$25.3 million in 2021. The Group's net loss for the year was approximately HK\$57.4 million, which was mainly due to the provision for expected credit loss (“**ECL**”) on trade, other and loan receivables of approximately HK\$40.6 million recognised during 2022.

For the year ended 31 December 2022, interest income earned from money lending business was approximately HK\$11.0 million.

OUTLOOK AND PROSPECT

In view of the highly unpredictable business environment, we are evaluating different business segments within the Group and reposition our strategy and business operation in more optimistic business segments. For the year ended 31 December 2022, the revenue derived from our clothes and beauty products segment has declined by approximately 21.0% from approximately HK\$86.3 million to approximately HK\$68.2 million as compared to the year 2021. The Board expects that the future development in sales of residential telephones and related products will be limited and the market will be declined due to the evolution of technology and the change in consumer behaviours.

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

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

For the year ended 31 December 2022, the Group recorded a revenue of approximately HK\$128.0 million which represented a decrease of approximately 36.0% as compared to the corresponding figure for the year ended 31 December 2021.

The gross profit for the year ended 31 December 2022 was approximately HK\$16.0 million as compared to approximately HK\$25.3 million for the year ended 31 December 2021.

During the year, the clothes and beauty products business continued to contribute a significant percentage to our revenue. We continue to be optimistic at this business segment and will capture more market opportunities as and when appropriate. On the other hand, the sales and marketing of electronic equipment and related products was still an important source of income of the Group. In addition, the financial arm of the Group comprising of securities brokerage, placing and underwriting business and money lending business also contributed to the revenue of the Group during the year. The revenue and net loss or profit for each business segment for the year ended 31 December 2022 are set out as below:

	Telephones and related equipment <i>HK\$'000</i>	Used computer- related components <i>HK\$'000</i>	Provision of securities brokerage, placing and underwriting services <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Sales of clothes and beauty products <i>HK\$'000</i>
Revenue	–	46,148	2,726	10,973	68,188
Net (loss)/profit	(517)	(681)	109	(31,905)	(178)

LIQUIDITY AND FINANCIAL RESOURCES

	2022	2021
Current ratio	3.60	4.70
Gearing ratio (defined as the total borrowings divided by total equity)	0.011	0.011

As at 31 December 2022, the Group had cash on hand of approximately HK\$26.9 million, net current assets of approximately HK\$203.5 million, total assets of approximately HK\$282.2 million and shareholders' equity of approximately HK\$203.2 million.

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

MONEY LENDING BUSINESS

For the year ended 31 December 2022, the amount of the total outstanding loan receivables is HK\$101.2 million with 8-10% interest rate and all loan receivables are recoverable within 1 year.

During the year ended 31 December 2022, the amounts for the largest borrower and the five largest borrowers in aggregate are HK\$21.8 million and HK\$54.6 million, respectively, accounted for approximately 22% and 54% of the total loan receivables of the Company.

The Group normally reaches out the target customers through the Group's reputation in the financial services industry, the existing business network and the finance magazine. The Group targets both retail and corporate customers.

When determining loan tenure, the Group will normally take into factors including, but not limited to personal financial background and repayment ability of the borrowers, internal credit checking results, the borrowers' repayment record in other financial institutions and, where applicable, value of the to-be-pledged collateral, the availability of any guarantee. The Group will base on the information gathered from the borrowers to determine the loan tenure.

When determining the interest rate of the loan, the Group will take reference to the past record of interest rate used by the Group and market rate for the interest rate.

In addition, the Group funds the money lending transaction through our internal resources. As at 31 December 2022, the loan receivables of HK\$101 million will mature on or before 31 December 2023 and loan receivables were neither secured by collaterals or any guarantee as at 31 December 2022. As at 31 December 2022, the maturity profile of the loan receivables of HK\$101 million were within twelve months from the end of the reporting period. The Company has complied with requirements set out in chapter 14 and/or 14A of the Listing Rules when it granted the loans to each of the borrower(s), whose loan(s) was still outstanding as at 31 December 2022. The Company has not had an agreement, arrangement, understanding or undertaking (whether formal or informal and whether express or implied) with a connected person with respect to the grant of loans to the borrower(s) whose loan(s) was still outstanding as at 31 December 2022.

The impairment losses on loan receivables were approximately HK\$38.1 million and HK\$68.1 million for the years ended 31 December 2022 and 2021. It was mainly attributed to the impairment of approximately HK\$62.4 million from Zhongrong International Finance Company Limited (“**Zhongrong**”), which was in liquidation in 2020, for the year ended 31 December 2021 respectively. As Zhongrong was in liquidation in 2020, the Company submitted the proof of debt to the Official Receiver’s office and the provisional liquidator in accordance with Companies (Winding-up) Rules during 2021. Zhongrong appointed joint and several provisional liquidators for its winding up process. Thus, a fully impairment on Zhongrong’s loan was made for the year ended 31 December 2021. The Company was of the view that the impairment loss recognised on the Zhongrong’s loan was fair and reasonable.

CAPITAL STRUCTURE

Authorised share capital

As at 31 December 2022, the authorised share capital of the Company was HK\$600,000,000 divided into 100,000,000,000 shares of HK\$0.006 each. The authorised share capital had no change during the year ended 31 December 2022.

Issued share capital

As at 1 January 2022, the issued share capital of the Company was HK\$8,957,619 divided into 1,492,936,566 shares of HK\$0.006 each.

During the year ended 31 December 2022, 45,600,000 options were exercised at the exercise price of HK\$0.078 per share, resulting in the issuance of 45,600,000 new shares of HK\$0.006 each.

As at 31 December 2022, the issued share capital of the Company was HK\$9,231,219 divided into 1,538,536,566 shares of HK\$0.006 each.

EXCHANGE RATE

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

RAISING OF FUNDS AND USE OF PROCEEDS

On 23 April 2021, the Company entered into a placing agreement pursuant to which the Company conditionally agreed to place through the placing agent, an indirectly wholly-owned subsidiary of the Company, on a best effort basis, up to 580,000,000 placing shares at the placing price of HK\$0.10 per placing share to not less than six placees who and whose beneficial owners were independent third parties (the “**Placing**”). The placing shares were allotted and issued pursuant to the specific mandate granted by the shareholders of the Company on 16 July 2021.

The Placing was completed on 2 August 2021. The net proceeds (after deducting the placing commission and other related expenses) from the Placing amounted to approximately HK\$56.2 million. The net proceeds were intended to be used for the further development and operations of the virtual asset trading platform of the Group.

As at 31 December 2022, the net proceeds had been utilised as follows:

Use of net proceeds	Allocation <i>HK\$ million</i>	Unutilised amount as at 31 December 2021 <i>HK\$ million</i>	Utilised	Unutilised	Expected timeline for the application of the unutilised proceeds
			amount for the year ended 31 December 2022 <i>HK\$ million</i>	amount as at 31 December 2022 <i>HK\$ million</i>	
Web application development of the virtual asset trading platform	18.0	16.4	4.9	11.5	By 31 December 2024
Acquisition of equipment and the related installation and technical support services fees	11.0	7.0	–	7.0	By 31 December 2024
Cloud infrastructure and professional network management services fee	8.1	4.1	4.1	–	–
Staff costs and consultancy fees for operational and technical staff and external consultants	8.4	7.6	1.0	6.6	By 31 December 2024
Digital and data securities services fee	2.4	2.4	1.2	1.2	By 31 December 2024
Working capital in operating the virtual asset trading platform, including but not limited to purchasing digital assets inventories and purchasing insurance	8.3	8.1	0.2	7.9	By 31 December 2024
Total	<u>56.2</u>	<u>45.6</u>	<u>11.4</u>	<u>34.2</u>	

SIGNIFICANT INVESTMENTS

As at 31 December 2022, total market value for the financial assets at fair value through profit or loss (“FVTPL”) of the Group was approximately HK\$75.0 million (2021: approximately HK\$87.3 million). The Board considers that the investments with market value accounting for more than 5% of the Group’s total assets as at 31 December 2022 as significant investments.

For the year ended 31 December 2022, the Group recognised unrealised loss on financial assets at FVTPL of approximately HK\$21.5 million (2021: unrealised gain of approximately HK\$16.7 million). For the year ended 31 December 2022, the Group recognised realised gain on financial assets at FVTPL of approximately HK\$4.8 million (2021: approximately HK\$16,000).

Details of the top financial assets at FVTPL, in terms of market value as at 31 December 2022 are as follows:

Stock name	Stock code	No. of shares	Proportion to the total issued share capital for the stocks	Market value (HK\$'000)	Proportion to the total assets of the Group	Unrealised fair value gain on the investments (HK\$'000)	Dividends received	Investment strategy
WLS Holding Limited	8021	302,640,000	2.11%	20,882	7.40%	5,226.00	–	Passive
SEEC Media Group Ltd	205	14,720,000	2.00%	9,862	3.50%	2,020.00	–	Passive
China Investment and Finance Group Ltd	1226	11,067,760	2.68%	6,862	2.43%	(2,878.00)	–	Passive
Milan Station Holdings Ltd	1150	32,850,000	3.73%	6,504	2.30%	2,531.00	–	Passive
Wealth Glory Holdings Ltd	8269	34,500,000	3.87%	5,761	2.04%	(1,484.00)	–	Passive
Asia Grocery Distribution Limited	8413	8,020,000	0.69%	3,328	1.18%	1,764.00	–	Passive
China Environmental Energy Investment Ltd	986	59,224,000	4.57%	2,961	1.05%	(2,428.00)	–	Passive
Sub-total				56,160	19.90%	4,751.00		
Other 19 listed equity securities (Note 2)				18,814	6.67%	16,768	–	Passive
Total				<u>74,974</u>	<u>26.57%</u>	<u>21,519</u>		

Note:

- Total assets as at 31 December 2022: HK\$282,174,000.
- As at 31 December 2022, other listed equity securities comprised 19 listed equity securities and none of them was more than 1.0% of the total assets of the Group. The companies of other listed equity securities are listed in Hong Kong in which they are principally engaged in steel business, the provision of financial services, movie & entertainment business, electronic technology, distribution, properties & construction and retail.

WLS Holdings Limited is a company listed in Hong Kong in which it and its subsidiaries are principally engaged in the provision of scaffolding and fitting out services, and other services for construction and buildings work, money lending business, securities brokerage and margin financing and securities investment business and assets management business.

SEEC Media Group Limited is a company listed in Hong Kong in which it and its subsidiaries are engaged in the provision of advertising agency services, distribution of books and magazines, securities brokerage business, money lending business and e-commerce business in the People's Republic of China and in Hong Kong.

China Investment and Finance Group Limited is a company listed in Hong Kong in which it and its subsidiaries are engaged in securities trading and investment holding.

Milan Station Holdings Limited is a company listed on Stock Exchange of Hong Kong Limited in which it and its subsidiaries principally engaged in retailing of handbags, fashion accessories, embellishments and spa and wellness products.

Wealth Glory Holdings Limited is a company listed in Hong Kong in which it and its subsidiaries are principally engaged in the trading of natural resources and commodities; development and promotion of brands, design, manufacture and sale of trendy fashion merchandises and other consumer products; investment in securities; and money lending business.

Asia Grocery Distribution Limited is a company listed in Hong Kong in which it and its subsidiaries are principally engaged in the food and beverage grocery distribution business under the authentic and original "Hung Fat Ho" brand in Hong Kong.

China Environmental Energy Investment Limited is a company listed in Hong Kong in which it and its subsidiaries are principally engaged in the design, original equipment manufacturing, marketing of jewelry business and money lending business.

Looking forward, the Board will adopt a passive investment strategy for the investments in securities. It aims to extract maximum returns from the market through investment in a diversified portfolio with low costs and does not involve frequent trading. The Board believes that the future performance of the listed investments held by the Group will be volatile and substantially affected by overall environment, equity market conditions, investor sentiment and the business performance and development of the investee companies.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES

As at 31 December 2022, the interests and short positions of the Directors, chief executive and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

Long Position

Ordinary shares of HK\$0.006 each of the Company

Name of directors	No. of shares held	No. of underlying shares held in options granted under the Share Option Scheme	Percentage of the issued share capital of the Company
CHOW Hei Yin Terry	–	6,304,000	0.41%
HUANG Zhi	–	6,304,000	0.41%

Note:

The percentage shareholding is based on 1,538,536,566 shares in issue as at 31 December 2022.

SHARE OPTIONS

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

On 23 December 2021, a new share option scheme (the “**2021 Share Option Scheme**”) was adopted and the 2012 Share Option Scheme was terminated by the Shareholders at special general meeting.

During the year ended 31 December 2022, 45,600,000 options were exercised and 22,863,000 options were lapsed under the 2012 Share Option Scheme. As at 31 December 2022, there were 63,040,000 options outstanding under the 2012 Share Option Scheme.

Since the date of adoption of the 2021 Share Option Scheme and up to 31 December 2022, no share option was granted, exercised, outstanding, cancelled or lapsed under the 2021 Share Option Scheme.

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

SUBSTANTIAL SHAREHOLDERS’ INTERESTS IN SHARES

As at 31 December 2022, the Directors were not aware of any persons or entities (other than the Directors and the chief executive of the Company) who/which had or were deemed or taken to have interests or short positions in the shares or underlying shares, which were required to be recorded in the register of substantial shareholders under section 336 of the SFO.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year ended 31 December 2022.

SIGNIFICANT ACQUISITIONS OR DISPOSALS

During the year ended 31 December 2022, there were no material acquisitions or disposals of subsidiaries and associated companies.

EMPLOYEES

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

DIVIDENDS

The Board does not recommend the payment of final dividend for the year ended 31 December 2022 (2020: Nil).

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") provides an important link between the Board and the Company's auditors in matters coming within the scope of the audit of the Company. The Audit Committee was established in March 2000 with written terms of reference, which is available on the websites of both the Company and the Stock Exchange, and currently comprises three members, namely Mr. Ma Kin Ling (chairman), Mr. Man Yuan and Ms. Huang Zhi, all being independent non-executive Directors.

The result announcement of the Company for the year ended 31 December 2022 have been reviewed by Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure have been made.

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

The 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 2022 as set out in the preliminary announcement have been agreed by the Group's auditors, McMillan Woods (Hong Kong) CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by McMillan Woods (Hong Kong) CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by McMillan Woods (Hong Kong) CPA Limited on the preliminary announcement.

CORPORATE GOVERNANCE

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

The Group has applied the principles of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 to the Listing Rules; and unless otherwise stated, which in the opinion of the Board, are not appropriate to follow.

The Company conducts periodic review on its corporate governance practices to ensure that the Company can meet the requirements of the CG Code on an on-going basis. Throughout the year ended 31 December 2022, the Group had complied with the CG Code, except the following deviation(s):

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding directors’ securities transaction. Based on specific enquiry of all the Directors, the Directors have complied with the required standard as set out in the Model Code throughout the financial year of 2022.

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

During the year ended 31 December 2022, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.suncorptech.com.hk. The annual report of the Company for the year ended 31 December 2022 will be despatched to the Shareholders and published on the aforesaid websites in due course.

ACKNOWLEDGEMENT

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

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

Hong Kong, 31 March 2023

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