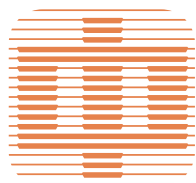


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CHAMPION TECHNOLOGY HOLDINGS LIMITED

冠軍科技集團有限公司

(Continued in Bermuda with limited liability)

(Stock Code: 92)

ANNOUNCEMENT OF THE FINAL RESULTS FOR THE YEAR ENDED 30 JUNE 2021

FINAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Champion Technology Holdings Limited (the “**Company**”), together with its subsidiaries, collectively, (the “**Group**”) announces the consolidated results of the Group for the year ended 30 June 2021 with comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

	<i>Notes</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Revenue	3	237,473	410,668
Cost of sales		<u>(147,469)</u>	<u>(318,054)</u>
Gross profit		90,004	92,614
Other income, gains and losses		7,462	16,998
(Loss)/gain on disposal of subsidiaries	4	(726)	5,342
Distribution costs		(25,685)	(27,172)
General and administrative expenses		(77,840)	(98,620)
Reversal of impairment losses/(impairment losses) recognised for inventories		62	(230)
Impairment losses recognised for trade and other receivables		(1,122)	(2,767)
Fair value (loss)/gain on financial assets at fair value through profit or loss		(14,576)	17,396
Fair value gain/(loss) on investment properties		2,270	(8,322)
Finance costs		<u>(32,602)</u>	<u>(36,291)</u>

	<i>Notes</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Loss before taxation		(52,753)	(41,052)
Income tax (expense)/credit	6	<u>(4,189)</u>	<u>3,328</u>
Loss for the year		<u>(56,942)</u>	<u>(37,724)</u>
Other comprehensive income/(expense):			
Item that will not be reclassified to profit or loss:			
Remeasurement of defined benefits pension plans		37,012	(20,922)
Item that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation of foreign operations		<u>21,293</u>	<u>(4,461)</u>
Other comprehensive income/(expense) for the year		<u>58,305</u>	<u>(25,383)</u>
Total comprehensive income/(expense) for the year		<u>1,363</u>	<u>(63,107)</u>
Loss for the year attributable to:			
Owners of the Company		(59,822)	(39,521)
Non-controlling interests		<u>2,880</u>	<u>1,797</u>
		<u>(56,942)</u>	<u>(37,724)</u>
Total comprehensive income/(expense) for the year attributable to:			
Owners of the Company		(24,272)	(55,372)
Non-controlling interests		<u>25,635</u>	<u>(7,735)</u>
		<u>1,363</u>	<u>(63,107)</u>
Loss per share — Basic and diluted	8	<u>HK(8.75) cents</u>	<u>HK(5.78) cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2021

	<i>Notes</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		36,577	58,560
Right-of-use assets		5,825	6,872
Investment properties		50,022	44,210
Interest in an associate		2	2
Financial assets at fair value through profit or loss		—	975
Finance lease receivable		38,422	37,699
		130,848	148,318
Current assets			
Inventories	9	38,564	30,336
Finance lease receivable		4,553	3,944
Trade and other receivables	10	54,164	70,873
Loan receivables	11	9,018	17,771
Financial assets at fair value through profit or loss		41,893	67,686
Tax recoverable		285	2,437
Cash and cash equivalents		135,567	107,051
		284,044	300,098
Assets classified as held for sale		—	10,350
		284,044	310,448
Current liabilities			
Trade and other payables	12	61,819	47,751
Contract liabilities		25,172	23,654
Lease liabilities		4,093	3,701
Warranty provision		1,062	1,230
Customers deposits		3,483	3,483
Amount due to a director		2,180	2,180
Tax payables		2,095	590
Interest bearing other borrowing			
— amount due within one year		—	10,000
Promissory note payable		—	40,557
		99,904	133,146

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Net current assets	<u>184,140</u>	<u>177,302</u>
Total assets less current liabilities	<u>314,988</u>	<u>325,620</u>
Non-current liabilities		
Lease liabilities	1,953	3,512
Interest bearing other borrowing		
— amount due after one year	185,000	200,000
Promissory note payable	38,306	—
Retirement benefit obligations	16,018	50,740
Deferred tax liabilities	<u>9,616</u>	<u>8,644</u>
	<u>250,893</u>	<u>262,896</u>
Net assets	<u>64,095</u>	<u>62,724</u>
Capital and reserves		
Share capital	68,383	68,383
Deficit	<u>(75,350)</u>	<u>(51,078)</u>
(Deficit)/equity attributable to owners of the Company	(6,967)	17,305
Non-controlling interests	<u>71,062</u>	<u>45,419</u>
Total equity	<u>64,095</u>	<u>62,724</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2021

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared on the historical cost basis and in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all the HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and accounting principles generally accepted in Hong Kong. Historical cost is generally based on the fair value of the consideration given in exchange for goods. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance.

2. ADOPTION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

The Group has applied the Amendments to References to the Conceptual Framework in HKFRSs and the following amendments to HKFRSs issued by HKICPA, for the first time, which became mandatorily effective for the annual period beginning on or after 1 July 2020 for the preparation of the consolidation financial statements:

Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendments to HKFRS 16	Covid-19-Related Rent Concessions

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

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

HKFRS 17	Insurance Contracts and the related Amendments ⁴
Amendments to Accounting Guideline 5	Accounting Guideline 5 Merger Accounting for Common Control Combinations (Revised) ³
Amendments to HKFRS 3	Reference to the Conceptual Framework ³
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform — Phase 2 ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
Amendments to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 ²
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ⁴
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies ⁴
Amendments to HKAS 8	Definition of Accounting Estimates ⁴
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ⁴
Amendments to HKAS 16	Property, Plant and Equipment — Proceeds before Intended Use ³
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract ³
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020 ³

¹ Effective for annual periods beginning on or after 1 January 2021.

² Effective for annual periods beginning on or after 1 April 2021.

³ Effective for annual periods beginning on or after 1 January 2022.

⁴ Effective for annual periods beginning on or after 1 January 2023.

⁵ Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that the application of the new and amendments to HKFRSs will have no material impact on the amounts reported and disclosures made in the Group's consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

(a) Revenue

Revenue represents the amounts received and receivable for goods sold and services provided by the Group to external customers.

The revenue of the Group comprises the following:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
<i>Revenue from Contracts with Customers</i>		
Sales of cultural products	3,137	190
Technology — Sales of systems including software licensing	68,666	91,542
Technology — Rendering of installation and maintenance services	43,643	36,108
Technology — Design and sales of renewable energy products and solutions	7,230	3,448
Trading for gasoil and related business	<u>87,403</u>	<u>253,954</u>
	210,079	385,242
Technology — Leasing of system products	24,194	21,426
Income from vessel charter	<u>3,200</u>	<u>4,000</u>
	<u><u>237,473</u></u>	<u><u>410,668</u></u>

(b) Segment information

The operating segments have been identified on the basis of internal management reports prepared in accordance with accounting policies conforming to HKFRSs, which are regularly reviewed by the directors of the Company, being the chief operating decision maker, for the purpose of allocating resources to segments and assessing their performance. During the year ended 30 June 2021, the chief operating decision maker assessed the performance and allocated the resources to trading of gasoil and shipping as a whole. In a manner consistent with the way in which information is reported internally to the chief operating decision maker, the Group has presented the following six (2020: seven) operating and reportable segments under HKFRS 8 Operating Segments. Accordingly, there is a change in the composition of the segment information of trade for gasoil and related business and shipping business for the year ended 30 June 2020:

- Sales of cultural products — includes income from trading of cultural products
- Technology: System sales including software licensing and services — includes income from sales of systems including software licensing and provision of installation and maintenance services and sale of surveillance equipment
- Technology: Leasing of system products — includes income from leasing of system products
- Technology: Renewable energy — includes income from design and sales of renewable energy products and solutions
- Trading for gasoil and related business — includes income from sales of gasoil, face mask and income from vessel charter (shipping business)
- Strategic investments — includes income from financial assets at fair value through profit or loss

Segment results represent the profit or loss before taxation recognised by each reportable segment, excluding gain on extension and early redemption of promissory note payable, interest income, gain or loss on disposal of subsidiaries, fair value gain or loss on investment properties, loss on deregistration of a joint venture, finance costs, unallocated income and expenses such as central administration costs and directors salaries, etc. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Information regarding the above segments is reported below:

	Technology				Trading of gasoil and related business			Subtotal	Consolidated
	Sales of cultural products HK\$'000	System sales including software licensing and services HK\$'000	Leasing of system products HK\$'000	Renewable energy HK\$'000	Strategic investments HK\$'000	Trading of gasoil and others HK\$'000	Shipping business HK\$'000		
Year ended									
30 June 2021									
REVENUE									
External and total revenue									
Recognised at a point in time	3,137	68,666	—	7,230	—	87,403	—	87,403	166,436
Recognised over time	—	43,643	24,194	—	—	—	3,200	3,200	71,037
	<u>3,137</u>	<u>112,309</u>	<u>24,194</u>	<u>7,230</u>	<u>—</u>	<u>87,403</u>	<u>3,200</u>	<u>90,603</u>	<u>237,473</u>
RESULTS									
Segment result	<u>842</u>	<u>16,182</u>	<u>4,977</u>	<u>987</u>	<u>(30,493)</u>	<u>179</u>	<u>(7,016)</u>	<u>(6,837)</u>	<u>(14,342)</u>
Gain on extension of promissory note payable									8,191
Interest income									2,739
Loss on disposal of a subsidiary									(726)
Fair value gain on investment properties									2,270
Finance costs									(32,602)
Unallocated expenses, net									<u>(18,283)</u>
Loss before taxation									<u>(52,753)</u>

	Technology					Trading of gasoil and related business			Subtotal HK\$'000	Consolidated HK\$'000
	Sales of cultural products HK\$'000	System sales including software licensing and services HK\$'000	Leasing of system products HK\$'000	Renewable energy HK\$'000	Strategic investments HK\$'000	Trading of gasoil and others HK\$'000	Shipping business HK\$'000			
Year ended										
30 June 2020										
REVENUE										
External and total revenue										
Recognised at a point in time	190	91,542	—	3,448	—	253,954	—	253,954	349,134	
Recognised over time	—	36,108	21,426	—	—	—	4,000	4,000	61,534	
	<u>190</u>	<u>127,650</u>	<u>21,426</u>	<u>3,448</u>	<u>—</u>	<u>253,954</u>	<u>4,000</u>	<u>257,954</u>	<u>410,668</u>	
RESULTS										
Segment result	(2,052)	20,069	3,623	239	(2,652)	2,207	(3,355)	(1,148)	18,079	
Gain on extension and early redemption of promissory note payable									8,008	
Interest income									4,895	
Gain on disposal of subsidiaries									5,342	
Fair value loss on investment properties									(8,322)	
Loss on deregistration of a joint venture									(3)	
Finance costs									(36,291)	
Unallocated expenses, net									<u>(32,760)</u>	
Loss before taxation									<u><u>(41,052)</u></u>	

Information regarding the above segments is reported below:

	Technology					Trading of gasoil and related business			Subtotal Consolidated HK\$'000
	Sales of cultural products HK\$'000	System sales including software licensing and services HK\$'000	Leasing of system products HK\$'000	Renewable energy HK\$'000	Strategic investments HK\$'000	Trading of gasoil and others HK\$'000	Shipping business HK\$'000		
Year ended									
30 June 2021									
Amounts included in the measure of segment profit or loss:									
Depreciation of property, plant and equipment	9	5,436	1,817	92	305	—	1,302	1,302	8,961
Depreciation of right-of-use assets	—	2,494	412	—	1,460	—	—	—	4,366
Fair value loss on financial assets at fair value through profit or loss	—	—	—	—	14,576	—	—	—	14,576
Impairment losses on property, plant and equipment	—	—	—	—	—	—	7,382	7,382	7,382
Reversal of impairment losses recognised for inventories	62	—	—	—	—	—	—	—	62

	Technology					Trading of gasoil and related business			Consolidated HK\$'000
	Sales of cultural products HK\$'000	System sales including software licensing and services HK\$'000	Leasing of system products HK\$'000	Renewable energy HK\$'000	Strategic investments HK\$'000	Trading of gasoil and others HK\$'000	Shipping business HK\$'000	Subtotal HK\$'000	
Year ended									
30 June 2020									
Amounts included in the measure of segment profit or loss:									
Depreciation of property, plant and equipment	21	6,774	610	47	598	—	4,244	4,244	12,294
Depreciation of right-of-use assets	—	1,570	275	—	494	—	—	—	2,339
Fair value gain on financial assets at fair value through profit or loss	—	—	—	—	17,396	—	—	—	17,396
Loss on disposal of property, plant and equipment	—	—	—	—	86	—	—	—	86
Impairment losses recognised for inventories	230	—	—	—	—	—	—	—	230

No information about segment assets and liabilities is presented as such information is not regularly provided to the chief operating decision maker for resource allocation and performance assessment purposes.

(c) **Geographical information**

The following table provides an analysis of the Group's revenue and non-current assets by location of customers and by location of assets respectively:

	Revenue		Non-current assets (<i>Note</i>)	
	Year ended 30 June		As at 30 June	
	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
The People's Republic of China (the "PRC") including Hong Kong and Macau	101,541	263,724	91,961	116,507
Europe (mainly United Kingdom ("UK") and Germany)	135,932	146,944	38,885	31,809
	<u>237,473</u>	<u>410,668</u>	<u>130,846</u>	<u>148,316</u>

Note: Non-current assets exclude the Group's interest in an associate.

(d) **Information about major customers**

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

	2021	2020
	HK\$'000	HK\$'000
Customer A	—	166,489
Customer B	<u>87,403</u>	<u>84,786</u>

Customer A and B contributed revenue from sales of gasoil during the years ended 30 June 2021 and 2020.

4. **(LOSS)/GAIN ON DISPOSAL OF SUBSIDIARIES**

Year ended 30 June 2020

Disposal of (1) Very Happy International Limited; (2) Happy Union Development Limited; (3) Lucky Success Development Limited; (4) Lucky Tone Investments Limited and (5) Chief Champion Limited (the "Disposal Group A")

On 22 March 2019, Champion (Cook Islands) Limited and KTT (Cook Islands) Limited (collectively, the "Vendors A"), direct wholly-owned subsidiaries of the Company, Gold Trinity International Limited (the "Purchaser A"), an independent third party and the Company (the "Vendors Guarantor"), entered into a provisional sale and purchase agreement (the "Provisional S&P Agreement A"), in which the Purchaser A would acquire the entire issued share capital of and all debts owing by the Disposal Group A to each of the Vendors A as at completion date at a cash consideration of HK\$124,872,000. The consideration was fully settled on 8 July 2019.

The transaction was completed on 8 July 2019, the collective carrying amount of net assets disposed of amounting to HK\$120,594,000, mainly representing investment properties of HK\$120,800,000, other receivables of HK\$15,000 and other payables of HK\$221,000. The net gain on disposal of subsidiaries after deducting the direct cost amounted to HK\$2,921,000. The net inflow arising on disposal of the Disposal Group A was HK\$123,515,000.

Disposal of (1) Crown Zone Development Limited; (2) Ever Vast Development Limited; and (3) Wise Great Development Limited (the “Disposal Group B”)

On 8 August 2019, Vast Acute Holdings Limited, Hero King Holdings Limited and Lucky Edge Holdings Limited (collectively, the “**Vendors B**”), wholly-owned subsidiaries of the Company, Sonic Jet Limited (the “**Purchaser B**”), an independent third party and the Company (the “**Vendors Guarantor**”), entered into a sale and purchase agreement (the “**S&P Agreement B**”), in which the Vendors B agreed to sell and the Purchaser B agreed to purchase the entire issued share capital of the Disposal Group B and all debts owing by the Disposal Group B to each of the Vendors B as at completion date at a cash consideration of HK\$37,030,000. The consideration was fully settled on 8 November 2019.

The transaction was completed on 8 November 2019, the collective carrying amount of net assets disposed of amounting to HK\$34,130,000, mainly representing investment properties of HK\$33,600,000, other receivables of HK\$533,000 and other payables of HK\$3,000. The net gain on disposal of subsidiaries after deducting the direct cost amounted to HK\$2,421,000. The net inflow arising on disposal of the Disposal Group B was HK\$36,551,000.

Year ended 30 June 2021

Disposal of Champion Energy Logistics Co Ltd (the “Disposed Subsidiary”)

On 9 February 2021, Lucky Global Group Limited (the “**Vendor C**”), a direct wholly-owned subsidiary of the Company and Grandway International Marine Limited (the “**Purchaser C**”), an independent third party, entered into a sale and purchase agreement, in which the Purchaser C would acquire the entire issued share capital of the Disposed Subsidiary as at completion date at a cash consideration of HK\$20,180,000. The consideration was fully settled on 2 March 2021.

The transaction was completed on 26 February 2021, the collective carrying amount of net assets disposed of amounting to HK\$20,456,000, mainly representing the vessel included in property, plant and equipment of HK\$20,601,000 and other receivables of HK\$204,000 and other payables of HK\$349,000. The net loss on disposal of a subsidiary after deducting the direct cost amounted to HK\$726,000. The net inflow arising from disposal of the Disposed Subsidiary was HK\$19,730,000.

5. DEPRECIATION

	2021 <i>HK\$’000</i>	2020 <i>HK\$’000</i>
Depreciation of property, plant and equipment included in general and administrative expenses	8,961	12,309
Depreciation of right-of-use assets included in general and administrative expenses	<u>4,366</u>	<u>2,339</u>

6. INCOME TAX

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Current tax:		
— Germany corporate income tax	471	329
— Malaysia corporate income tax	68	150
— PRC enterprise income tax	1,399	—
— Hong Kong profits tax	<u>179</u>	<u>338</u>
	----- 2,117	----- 817
Under/(over)-provision in prior years:		
— UK corporate income tax	----- 1,100	----- (3,244)
Deferred tax:		
— Charged/(credited) for the year	----- <u>972</u>	----- <u>(901)</u>
Income tax expense/(credit)	<u><u>4,189</u></u>	<u><u>(3,328)</u></u>

UK corporate income tax is calculated at 19% (2020: 19%) on the estimated assessable profit derived from UK.

Pursuant to the rules and regulations of Germany, the Group is subject to corporate income tax at 15% (2020: 15%) on the estimated assessable profit of the subsidiary which carried on business in Germany.

Pursuant to the rules and regulations of Malaysia, the Group is subject to corporate income tax at 24% (2020: 24%) on the estimated assessable profit of the subsidiary which carried on business in Malaysia.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years. For income generated in the PRC earned by subsidiaries incorporated outside the PRC is subjected to withholding tax at 10% (2020: 10%).

Hong Kong Profits Tax is calculated at 16.5% (2020: 16.5%) on the estimated assessable profits derived from Hong Kong.

7. DIVIDENDS

No dividend was paid or proposed during the year ended 30 June 2021 nor has any dividend been proposed since the end of reporting period (2020: Nil).

8. LOSS PER SHARE

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

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Loss for the year attributable to owners of the Company	<u>(59,822)</u>	<u>(39,521)</u>
<i>Number of ordinary shares</i>	<i>'000</i>	<i>'000</i>
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>683,831</u>	<u>683,831</u>

Diluted loss per share for the years ended 30 June 2021 and 2020 were the same as the basic loss per share as there were no potential ordinary shares outstanding during both years.

9. INVENTORIES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Raw materials	7,797	9,582
Work in progress	6,581	2,984
Finished goods (<i>notes</i>)	<u>24,186</u>	<u>17,770</u>
	<u>38,564</u>	<u>30,336</u>

Notes:

- (i) Included in finished goods are gasoil of HK\$5,834,000 (2020: Nil) and cultural products (including precious stones and antiques) of HK\$12,758,000 (2020: HK\$11,583,000), which are held for trading and resale in the ordinary course of business.
- (ii) As at 30 June 2021 and 2020, all the cultural products of the Group were stored in a warehouse run by a world-renowned security company, which is an independent third party to the Group.

10. TRADE AND OTHER RECEIVABLES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Trade receivables (<i>note</i>)	41,531	59,992
Less: provision for impairment losses	<u>(1,122)</u>	<u>—</u>
	<u>40,409</u>	<u>59,992</u>
Other receivables	19,438	16,564
Less: provision for impairment losses	<u>(5,683)</u>	<u>(5,683)</u>
	<u>13,755</u>	<u>10,881</u>
	<u>54,164</u>	<u>70,873</u>

Note:

The Group maintains a well-defined credit policy regarding its trade customers depending on their credit worthiness, nature of services and products, industry practice and condition of the market with credit period ranging from 30 days to 180 days. The Groups credit policy for sales of cultural products is cash on delivery.

The ageing analysis of trade receivables (net of expected credit losses) presented based on the invoice date at the end of the reporting period is as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
0–60 days	14,919	39,091
61–90 days	12,231	3,438
91–180 days	9,071	17,412
181–365 days	4,137	—
Over 365 days	<u>51</u>	<u>51</u>
	<u>40,409</u>	<u>59,992</u>

Before accepting any new customer, the Group's finance and sales management team would assess the potential customers credit worthiness and define the credit limit accordingly for the customers. Credit limits attributable to customers are reviewed regularly with reference to past settlement history and where appropriate, information about their current reputation.

The ageing analysis of trade receivables (net of expected credit losses) that are neither individually nor collectively considered to be impaired are as follows:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Neither past due nor impaired	<u>26,842</u>	<u>40,925</u>
Less than 1 month past due	302	1,970
1 to 3 months past due	13,199	17,046
3 to 12 months past due	15	—
Past due over 1 year	<u>51</u>	<u>51</u>
	<u>13,567</u>	<u>19,067</u>
	<u>40,409</u>	<u>59,992</u>

11. LOAN RECEIVABLES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Loan receivables	15,631	23,256
Less: provision for impairment losses	<u>(6,613)</u>	<u>(5,485)</u>
	<u>9,018</u>	<u>17,771</u>

As at 30 June 2021, loan receivables (net of expected credit losses) of approximately HK\$9,018,000 (2020: approximately HK\$17,771,000) were due from four borrowers (2020: six borrowers), unsecured and with personal guarantee. All the loan receivables are denominated in Renminbi (“RMB”). The loan receivables carry fixed interest rates ranging from 8% to 10% (2020: 10% to 16%) per annum with maturity date within 12 months from the loan draw down date. Up to the date of this announcement, approximately HK\$6,012,000 was received by the Group.

12. TRADE AND OTHER PAYABLES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Trade payables	20,471	9,541
Other payables	<u>41,348</u>	<u>38,210</u>
	<u>61,819</u>	<u>47,751</u>

The aging analysis of trade payables presented based on the invoice date at the end of the reporting period is as follows:

	2021	2020
	HK\$'000	HK\$'000
0–60 days	10,042	8,749
61–90 days	9,637	—
91–365 days	—	—
Over 1 year	792	792
	20,471	9,541

The credit period for purchases of goods ranged from 30 days to 120 days.

13. EVENTS AFTER THE REPORTING PERIOD

Rights issue

On 18 May 2021, the board of directors of the Company announced that the Company proposed to raise approximately HK\$205 million before expenses by issuing 2,051,492,544 rights shares at the subscription price of HK\$0.10 per rights share by way of rights issue, on the basis of three rights share for every one existing share held on the record date. Up to the date of this announcement, the rights issue has not yet been completed. Upon the completion of the rights issue, net proceeds of approximately HK\$198 million would be raised by the Company. The number of issued ordinary shares of the Company would be increased to 2,735,323,392 shares and the share capital of the Company would be increased from approximately HK\$68,383,000 to HK\$273,532,000 and share premium would be decreased from approximately HK\$2,221,869,000 to HK\$2,214,720,000. For details, please refer to the announcements of the Company dated 18 May 2021, 22 June 2021 and 15 September 2021.

Disposal of Kantone Holdings Limited (“Kantone”)

On 31 May 2021, the board of directors of the Company announced that the Company as the seller and Innovative City Investment Limited, an independent third party, as purchaser (the “Offeror”) entered into a sale and purchase agreement, pursuant to which the Offeror has conditionally agreed to acquire and the Company has conditionally agreed to sell the 128,137,958 Kantone shares (the “Sale Shares”), representing approximately 59.04% of the entire issued share capital of Kantone. The consideration of the Sale Shares is approximately HK\$59,072,000, equivalent to HK\$0.461 per Sale Share. Up to the date of this announcement, the transaction has not yet been completed, as additional time is required for the fulfillment of the conditions precedent in the sale and purchase agreement (such as the convening of the special general meeting to obtain the Company’s shareholders approval for the disposal). For details, please refer to the announcements of the Company dated 25 August 2021 and 15 September 2021.

Conditional early repayment of promissory note

On 10 September 2021, the Group obtained a written consent to substantiate his earlier verbal consent from the holder of the promissory note, pursuant to which the holder of the promissory note agreed and accepted that the Group could early repay the remaining balance of the promissory note which would be made after the completion of both the disposal of the Kantone shares and the completion of the rights issue at the discount rate of 8.5% p.a..

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

Revenue

Champion Technology Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) reported a total revenue for the year under review of approximately HK\$237 million compared with approximately HK\$411 million in 2020, representing a decrease of approximately 42 percent. This was mainly owing to the decrease in the volume of trading business in gasoil and charter income from oil tanker during the year.

Loss Attributable to Owners of the Company

The loss for the year under review is approximately HK\$57 million (2020: approximately HK\$38 million). Loss for the year attributable to owners of the Company is approximately HK\$60 million (2020: approximately HK\$40 million). The loss for the year were mainly attributed to the increase in fair value loss on financial assets at fair value through profit or loss of approximately HK\$15 million (2020: fair value gain of approximately HK\$17 million), and the decrease in other income, gain and losses to approximately HK\$7 million (2020: HK\$17 million). Loss per share for the year under review is HK8.75 cents (2020: HK5.78 cents).

Other Income, Gains and Losses

During the year, the Group recognized other income of approximately HK\$7 million (2020: approximately HK\$17 million) which is mainly arised from the (i) gain from extension of promissory note payable of approximately HK\$8 million, (ii) interest income of approximately HK\$3 million and (iii) impairment loss on the Group’s vessel of approximately HK\$7 million.

Distribution Costs

The Group’s distribution costs for the year were mainly attributed to our principal subsidiary in United Kingdom — Multitone Electronics PLC (“**Multitone UK**”) which recorded distribution costs for the year under review of approximately HK\$26 million as compared with approximately HK\$27 million in 2020.

General and Administrative Expenses

General and administrative expenses for the year under review decreased by approximately 21 percent to approximately HK\$78 million (2020: approximately HK\$99 million). The management of the Company has continued to streamline our workforce and our strategy of pursuing a more cost-efficient management of overheads. The decrease was due to the prudent cost control and savings in salaries as a result of unfilled vacant positions partly due to difficulties in recruiting the right technical personnel in both the UK and Germany. In addition, the decrease in general and administrative expenses was also due to no past service cost from retirement benefit plan was recognised during the year ended 30 June

2021. During the year ended 30 June 2020, past service cost of approximately HK\$8 million was recognised due to a landmark ruling of Guaranteed Minimum Pension Equalisation in UK. Moreover, depreciation decreased from HK\$12 million to HK\$9 million. It is mainly due to the disposal of Vessel.

Fair Value (Loss)/Gain of Financial Assets at Fair Value through Profit or Loss

During the year under review, the Group recognised fair value loss on the financial assets at fair value through profit or loss of approximately HK\$15 million (2020: fair value gain of approximately HK\$17 million). As for the fair value loss of financial assets at fair value through profit or loss in current year, the information is set out in the “Review of Operations” section below.

Finance Costs

Finance costs for the year decreased to approximately HK\$33 million from approximately HK\$36 million as compared with the fiscal year 2020, which was due to the decrease in interest paid on the other interest bearing borrowing after early partial repayment of other interest bearing borrowing during the year.

REVIEW OF OPERATIONS

Trading Business

During the year 2021, the management of the Company shared the same view as stated by the Organisation of Economic Co-operation and Development (OECD) that containment measures and economic disruptions related to the COVID-19 outbreak led to a reduction in production and mobility worldwide, resulting in a significant drop in global demand for gasoil. Based on that, in February 2021, the Group’s management made the commercially sensible decision to avoid incurring further losses due to the impact of COVID-19 which is beyond the control of any company or country, that is to dispose of its oil tanker. The proceeds on disposal of the oil tanker was applied towards reducing the interest-bearing loan to save interest cost of about HK\$1,950,000 per annum. For detailed reason of the disposal of the oil tanker, please refer to page 5 of the Company’s announcement dated 9 February 2021. An oil tanker can facilitate the gasoil trading business, but it is not a must to have one. Even without a replacement oil tanker, the Group can still engage in and works well in its gasoil trading business. The Company disposed of such oil tanker after taking into consideration of the Company’s cashflow need and the general demand for oil products, including gasoil, which has dropped soon after the outbreak of COVID-19 and the foreseeable escalating costs of maintaining an oil tanker of such age.

The Company considers that the business model of the gasoil trading business is a cautious trading business and is not conducted in an indent manner. Since the entry barrier of such business is high and the transaction amounts involved are often huge, there is a relatively high expectation on oil traders for timely delivery and excellent quality management while oil traders like the Group also has to bear the risk of loss and damages should any accident happen before the title of gasoil is properly transferred to its customers given that gasoil is highly flammable, let alone the risk of fluctuation in oil prices. The

Group would hold its own inventory before it gives instruction to the vessel master to execute transfer of the title of gasoil or unload the gasoil to the buyer's designated oil tanker. Therefore, the risk of holding the gasoil inventory would be borne by the Group before such transfer of title is executed.

As at 30 June 2021, an inventory of HK\$5.8 million was recognized in the Group's balance sheet. In order to manage the risk of loss and damage, the Group would only source gasoil from the suppliers after receiving requests from customers, and the Group would usually minimise the risk exposure by requiring the suppliers to deliver the gasoil to the customers within one week. The Group also has in place valid and sufficient insurance coverage for the Group's gasoil inventory until the gasoil is transferred to customers.

It is worth noting that the entry barrier of the gasoil trading market is high and owing to the small circle of oil traders and its highly sophisticated nature. It is evidenced by the industry norm that every oil trader would usually only have a few suppliers and customers. The Company was able to break into the oil trading industry due to the management's business connections. Since then the Company has been gradually gaining experience in building its reputation in the oil trading industry in order to gain more access to major oil suppliers. The management has been meeting major oil suppliers from time to time to foster closer relationship with them with the aim of enlarging the Group's oil procurement capability. As such, the Company is of the view that the trading business of the Group should be able to revive when COVID-19 is substantially under control or herd immunity is achieved. Therefore, the Company considers that the contribution from the trading business of the Group would resume to its normal level when COVID-19 is resolved and such business will form an integral part of the Group's viable business. The Company has continued to reassess the gasoil market and the oil tanker market from time to time hoping to acquire a replacement tanker when the opportunity arises. The suspension of the shipping business is only intended to be temporary.

The trading business of the Group is cash dependent, that is, the Group should be able to capture higher profit margin and turnover if it has a stronger working capital. This is because the Group would be able to source gasoil in larger quantities, which would give the Group a stronger bargaining power to negotiate for a lower unit purchase cost from the suppliers and more favorable credit terms. The Rights Issue and the Disposal exercises will strengthen the cashflow of the Group upon completion in the near future so as to enable it to expand its well-developed technology business and revitalize its trading business.

As such, the management maintains the view that the gasoil market would pick up again when the negative impact of COVID-19 subsides or materially alleviates. The Group should therefore gather sufficient working capital to catch such a wave since the trading business would be profitable if turnover is high enough. The good thing about gasoil trading is that if more cash is ready, the more profits are available. Therefore, the Group's management is mindful of restructuring its financial position in order to make the best use of fund raising opportunities to enhance its working capital strength. On this basis, the Board considers that the gasoil trading business is a business which has substance and is viable and sustainable.

Technology Business — Renewable Energy

Climate changes in recent years have raised the awareness of the urgent need for clean and renewable energy around the world. In line with the Paris Agreement’s vision to reduce carbon footprint, China’s goal to be carbon neutral by 2060, as well as the Hong Kong Government’s commitment to carbon neutrality in the Clean Air Plan for Hong Kong 2035 and the Hong Kong Climate Action Plan 2030+, the Group has been devoted to supporting the call for the increased use of Renewable Energy (“**RE**”) to replace fossil fuel to combat climate change.

Since 2018, the Group has been investing substantially with its internal resources in the research and development of Solar Photovoltaic (“**SPV**”) technology products. Throughout these years, the Group had successfully developed various cost-saving system designs and special semi-flexible solar panels, which enabled the Group to win a lot of business, including tender contracts for photovoltaic systems from one of the largest first-class property developers in Hong Kong.

Our Business Model

The Group’s SPV business model fully ties in with the Feed-in Tariff (FiT) Scheme, one of the key foci in the current Scheme of Control Agreements (“**SCAs**”) signed between the Hong Kong Government and the two respective power companies, i.e. The Hongkong Electric Co. Ltd. (“**HKE**”) and CLP Power Hong Kong Ltd. (“**CLP**”) in April 2017.

In order to capture business opportunities with a wider range of clientele, the Group has been offering three modes of business, with variation in the proportion of design and installation cost borne by the client and the Group, to create a win-win business case with clients of different budgets. Depending on the cost borne by the Group in each project, we would earn a variable percentage of the FiT income generated, as well as revenue from the project design and installation fees. In some cases, the Group would sell its projects to other investors who seek a stable return of income.

With the increased collaboration with construction contractors, some of whom also referred their customers to the Group for FiT projects since the construction contractors lack the skills in designing SPV systems, the procurement channels for reliable and economic solar panels and peripheral equipment, the warehousing facilities, and an experienced team of professionals in the FiT scheme application and operation procedures, which were exactly the Group’s expertise and valuable assets the Group had built up over the past years. In these cases, the Group would earn the fees for our professional services rendered and equipment supplied.

With the Group’s effort in research and marketing over the past 3 years, our Renewable Energy business should have entered its harvesting period during the second half of 2020 as many customers had responded positively to our designs after studying our show cases. However, the COVID-19 pandemic had significantly impacted our renewable energy business since January 2020 as officers of the electricity utility companies who were responsible for approving the FiT applications were unable to inspect the sites and approve the installation due to the work-from-home and social-distancing arrangement. Moreover, some landlords of village houses and incorporated owners of buildings refused

visitation of their premises for the inspection and collection of data for fear of potential exposure to COVID-19 infection. This has adversely affected our progress of solar power system promotion and installation.

Despite the challenges and difficulties which arose due to COVID-19, the Group successfully converted some major Letters of Intent of SPV projects to formal contracts, which would generate reasonable profit to the Group. The Group managed to keep installing solar panels on village houses every month in the year under review. Moreover, the Group's elite in-house technology and engineering team developed a semi-flexible ultra-thin special solar panel and a unique adhesive technology for fixing these solar panels to the troughs of a metallic roof rather than the traditional intrusive method of drilling and screwing panels to the roof. Such unique solar panel design and installation technology have earned us good brand mileage among warehouse owners since such design has effectively reduced the risk of damage usually caused to the metallic roofs of warehouses.

With the Group's effort in research and development and expertise in designing cost-effective and high efficiency SPV systems, the Group was awarded a tender for the supply and installation of solar panel system by one of the largest first-class property developers in Hong Kong. The SPV system installed in Sai Sha spans over 680 sq. meters and consists of over 1,340 pieces of solar panels. The project had been completed to the satisfaction of the customer and thereafter they formally invited the Group to submit proposals for installation of SPV systems at other sites. During the year under review, the Group completed many other SPV projects and widely expanded its client network. These clients with village houses and fishponds opened up a great referral network for the Group's System Product line of business.

The Group has been focusing its efforts in canvassing large projects on vacant lands in the New Territories as well. These vacant lands have the benefit of single ownership and several owners of large pieces of land had been engaging the Group to carry out large scale installation of SPV systems.

The Group has recently constructed its unique photovoltaic system of 226kW on a piece of vacant land of about 20,000 sq. ft. and another one of 43kW on another piece of vacant land of about 5,000 sq. ft. in the New Territories. These show cases have enabled the Group to attract more businesses from landowners and fishpond owners.

Kantone Holdings Limited (“Kantone”)

Revenue generated by Kantone and its subsidiaries (collectively, the “**Kantone Group**”) was approximately HK\$139 million, as compared with approximately HK\$147 million of the previous year. Profit for the year was approximately HK\$5.7 million, as compared with the profit for the previous fiscal year of approximately HK\$3.9 million. During the year under review, the Kantone Group's growth in the European market within the healthcare, emergency services and smart city communication sectors remained steady. In order to maintain the competitiveness of our products and solutions, the Kantone Group has continued to focus on optimizing its research and development resources to provide customers with specific critical messaging and smart city solutions. On 31 May 2021, the board of directors of the Company announced that the Company as the seller and Innovative

City Investment Limited, an independent third party, as purchaser (the “**Offeror**”) entered into the sale and purchase agreement, pursuant to which the Offeror has conditionally agreed to acquire and the Company has conditionally agreed to sell the 128,137,958 Kantone shares (the “**Sale Shares**”), representing approximately 59.04% of the entire issued share capital of Kantone as of the date of announcement. The consideration of the Sale Shares is approximately HK\$59,072,000, equivalent to HK\$0.461 per Sale Share.

Technology Business — System Products

The interconnectivity of devices plays an increasingly important role in today’s ecosystem of a “Smart City”. Hong Kong being one of the cities with the highest speed and access coverage of internet connectivity, it has the advantage of having a head start in the development of “Smart City”. The Group’s 30 plus years of experience in the technology and communication sector has enabled it to lead the way in the race. Unlike many other industries of which the sustainability relies, to a large extent, on their ability to maintain continuity of business from their predecessors, technology business requires continual innovation in order to survive and thrive. Therefore, the Group has been relentlessly innovating to counter the negative impact of technological obsolescence. In appreciation of the Group’s achievement in IoT development, we were invited to join the Smart City Consortium in December 2020 and join forces with other elite members to bring Hong Kong towards a more connected and smart future.

Simultaneous Massive Smart Body Temperature Detection System

In order to stay ahead of competition, the Group devoted ample resources into the development of System Products and in the year under review and it started to sell its own System Products again. Among these, the self-invented Simultaneous Massive Smart Body Temperature Detection System (“**Smart Body Temperature Detection System**”) was well received by our customers. Due to the COVID-19 pandemic, public facilities, for example schools, hotels, and commercial buildings needed an effective solution to check the body temperature of their visitors. The Group’s self-invented Simultaneous Massive Smart Body Temperature Detection System could check the temperature of a large group of people at the same time, thus removing the traffic bottleneck of having to check each visitor’s temperature one by one. The System also uses Artificial Intelligence to visually recognize visitors who did not put their face masks on and would remind them to put on a mask in order to safeguard public health.

The System has been procured and deployed by various schools and management offices of commercial buildings across Hong Kong, including an A-grade office in Island West and a modern office building in San Po Kong. This system has been installed in an iconic hotel in Tsim Sha Tsui and Hong Kong’s largest Cruise Terminal in Kai Tak. The Group also made a technology sharing of the System with Kantone’s UK subsidiary in October 2020, enabling Kantone’s subsidiary company in UK to open a new product line in UK that has started generating revenue.

Smart Remote Circuit Breaker Control

Besides the Smart Body Temperature Detection System, the Group has also developed the Smart Remote Circuit Breaker Control (“**Smart Circuit Breaker**”). This project was a natural extension from the Group’s Solar Photovoltaic System line of business. Traditionally, a customer who had a tripped circuit breaker would have to seek help from an electrician to physically visit the site to reengage the circuit breaker. However, with the help of the Smart Circuit Breaker, the customer can reengage their tripped circuit breaker remotely just with a click of the finger on the mobile app. The product has been very well received under the current pandemic situation because customers would rather not have the technician visit their home for fear of possible infection with COVID-19. The Smart Circuit Breaker significantly reduces the downtime and manpower for maintaining the SPV systems, which in turn increases the FiT income generated, both for the home owners and the Group. During the year under review, the Smart Circuit Breaker was deployed in many of the SPV projects and received much positive feedback from customers.

TOF People Counting System

With the Group’s effort in research and development in the area of Radar and Lidar sensors and Visual Analysis, the Group has successfully developed a People Counting System with Time of Flight (“**TOF**”) technology. The TOF technology significantly increased the accuracy of the system and reduced the probability of miscounting. In the current world of Big Data, accurate statistics have never been more important for making informed and financially favorable business decisions. With the invention of the System, the Group was invited to submit tenders for people traffic monitoring systems at public restrooms and the Hong Kong Flower Show.

Other self-developed System Products

Social Web Apps UX Design — To fully utilize the Group’s experience in designing of user interfaces and user experience in its wide range of system products, the Group was engaged, in the reviewed year, by customers to design mockup user interface for their social web apps. The mockup process significantly reduces the lead time for making traditional wireframe design and expedites the development lifecycle of the web app projects.

Intelligent Construction Work-at-Height Safety Monitoring System — The system combined a range of proprietary sensor technologies and machine learning for visual analysis for enhancing the check for safety compliance at construction sites, especially for work-at-height workers. The system would help to detect whether the safety harness is securely fastened and if the worker has put on all necessary safety equipment before they commence working at height. A real-time positioning system has also been under development to be incorporated into the Safety Monitoring System to prevent workers from entering a hazardous area by mistake and to provide a prompt alert to the safety officer of the site.

Smart Water Quality Aquaponic Monitoring System — The Group has set up its own demonstration site in launching the business of Aquaponics after more than a year of research and development. Aquaponics refers to a food production system in a controlled environment that contains fish, vegetables, and microorganisms. Microbial organisms in the system decompose fish waste to provide nutrients for vegetables, which in turn filter the water source for the fish. No pesticide and contamination would be involved. This line of business fully ties in with the Hong Kong Government's direction of the Sustainable Agricultural Development Fund and The Sustainable Fisheries Development Fund.

During the year under review, the Group successfully constructed Phase 1 of an aquaponic system for a customer in Yuen Long, which was delivered to the satisfaction of the customer. We believed this successful case would open the door for the Group as many landowners and fishpond owners learnt about the news and made enquiries for building such a system for themselves. The Group had infused the project with its expertise in IoT as well. Numerous sensors have been incorporated into the system for real time monitoring of the water quality, e.g. oxygen level, temperature, pH level, etc. With the real time data, owners of the system can be more promptly and accurately informed about what can be done to enhance the growth and quality of the fish and vegetables.

Cultural Products

Antique and cultural products are collectible objects that have an enhanced value because of their considerable age. As in previous years, the Company continues to adopt a cautious approach in handling the cultural products. We have been acquiring new cultural products or antiques for resale while keeping ourselves up-to-date with the market conditions in order to capture the right moment for realizing some of the Group's inventories of cultural products at the right price. In addition, we have displayed some selected cultural products of ours which are also works of art on our Company's website to enhance public awareness of our cultural products.

The management considers that our cultural products are work of art that have enhanced value because of their considerable age. As they are not commodities, they should not be perceived as having impairment issue even after keeping these inventories for a long period of time.

Cultural products, including precious stones and artifacts, valued at HK\$12,758,000 (as at 30 June 2020: HK\$11,583,000) have been held for trading and resale in the ordinary course of business, and are included in the inventories of the Group as at 30 June 2021.

All such cultural products, totalling 368 pieces, have been kept in a secured warehouse run by a world-renowned security solution company, which is an independent third party to the Group.

Dongguan Hotel Project

As disclosed in the announcement of the Company dated 19 July 2017, regarding the disclosable transaction in relation to the acquisition of 51% equity interest of a Hong Kong company that indirectly owns a hotel in Dongguan through a PRC subsidiary (the “**Acquisition**”), the Directors considered the Acquisition was in line with the Group’s business diversification strategy. In addition, as disclosed in the Audited Condensed Consolidated Statement of Assets and Liabilities which was announced on 30 April 2018, we noted that the market condition in Dongguan had changed, with the demand for hotel rooms in those areas, as expected, continued to remain gloomy, and this aspect was considered when this project was scrutinised. However, by virtue of the sub-contracting agreements, the Company can on one hand benefit from the steady, guaranteed income, while it may, on the other hand, take the initiative to terminate the agreements with the hotel operator as and when we consider appropriate.

Securities Investments

The Group has invested in some Hong Kong listed securities, and the Group conducted this short-term securities trading through the Company and its wholly-owned subsidiary, Champnet Limited.

During the year ended 30 June 2021, the Group recorded fair value loss on financial assets at fair value through profit or loss (“**Financial Assets at FVTPL**”) of approximately HK\$15 million (2020: fair value gain of approximately HK\$17 million) which was attributable to a the negative impact of global markets’ tumble on rising fears of a worldwide economic recession and other uncertainties and the tension between the USA and China. The COVID-19 outbreak which had worsened since February 2020 posted another significant negative impact to the investment market as a whole.

As at 30 June 2021, the fair value of the investments classified as “Financial Assets at FVTPL” amounted to approximately HK\$42 million (2020: approximately HK\$68 million). Such investment portfolio comprised 6 (2020: 10) equity securities listed in The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and one unlisted security. The portfolio of listed securities was composed of 3 (2020: 7) equity securities which are listed on the Main Board of the Stock Exchange with the remaining 3 (2020: 3) equity securities which are listed on the GEM of the Stock Exchange.

OUTLOOK

Trading Business

The Company has gained experience of sufficient length and there is a need to build a good reputation in order to gain more access to major oil suppliers. The Group's management has been meeting major oil suppliers from time to time to foster closer relationship with them with the aim of enlarging the Group's oil procurement capability.

The negative impact of COVID-19 was still not yet completely resolved, and the delta variant, which was first detected in India last October, has been found in more than 130 countries globally, according to the World Health Organization, and it has not spared countries with some of the highest vaccination rates. But according to a study in the U.K., where the delta variant is also fueling a rise in infections, it found that two doses of Pfizer-BioNTech or the vaccine by AstraZeneca-Oxford University were nearly as effective against delta as they were against the alpha variant. As such, the management maintains the view that the gasoil market would pick up again when the negative impact of COVID-19 subsides or materially alleviates.

The Group should therefore gather sufficient working capital to catch such a wave since the trading business would be profitable if turnover is high enough. The good thing about oil trading is that if more cash is ready, the more profits are available. Therefore, the Group's management is mindful of restructuring its financial position in order to capitalize on fund raising opportunities to enhance its working capital strength. On this basis, we consider that the oil trading business is a business which has substance, is viable and sustainable.

We expect that our current rights issue (“**Rights Issue**”) exercise would enable the Company to raise about HK\$205 million. Please refer to our announcement dated 18 May 2021 for more details. As for the disposal of our 59.04% stake in Kantone Holdings Limited, it would generate HK\$56 million net for the Company. These two corporate actions required approval by shareholders in special general meetings which are being arranged subject to clearance by the regulators. Assuming that both of these corporate actions could materialise and the funds be utilized to fully repay the loan of HK\$185 million owing to Guangdong Finance Limited and the promissory note with principal sum of HK\$44 million, the Company would be debt free and would be able to make use of the remaining funds as working capital to strengthen the businesses of gasoil trading, the renewable energy and the IoT system sales.

Technology Business — Renewable Energy

With the forward vision of the management team years ago, the Group has been able to grasp the best timing and opportunity to start developing its proprietary techniques and equipment in designing an economic yet high-performing Solar Photovoltaic System.

With the Group's outstanding achievement and reputation in the industry, we have generated successful referrals from the existing customers and the chain of targeted customers in the pipeline who are inviting us to submit tenders or direct proposals leading to profitable projects. Further to similar projects previously completed, the Group was invited again to submit proposals for building the SPV

system on other sites of one of the largest property developers in Hong Kong. In addition, we have also received invitations from a national inspection and testing company to build an SPV system on the roof of their building covering over 5,400 sq. meters; the largest publishing company in Hong Kong to build an SPV system on the roof of their industrial building in Tai Po.

The Group will continue to explore opportunities in building SPV systems on village houses and buildings, with an additional focus in developing the market in vacant lands in the New Territories because of the extra benefits discussed in the Review Section of this annual report. We believe the development of client network of our SPV line of business will be mutually beneficial to our System Products line of business since many clients who are the owners of the vacant land and fishponds agree and share our vision in building Aquaponic Systems to support sustainable farming and fishery. We will also continue to invest in research and development for the latest technology and techniques in building more efficient and cost-effective SPV systems to gain an edge in the highly competitive scene of Hong Kong Renewable Energy business!

Technology Business — System Products

Energy Management System

Holistically speaking, with a growing network of SPV systems across Hong Kong, the challenge of managing the individual sites increases exponentially, including the monitoring of the operation of solar panels and the production of energy, as well as the detection of any abnormality that may hinder the production of solar power. To cope with the development of the Group's solar power network and to increase the efficiency of energy production and in turn the FiT income generated, the Group has been investing different resources in the self development of a Total Intelligent Energy Management System (“**Energy Management System**”). The System would provide a one-stop portal for live energy generation data, as well as historical data for analysis. The System would also be integrated with the Smart Remote Circuit Breaker Control, so that the circuit breakers could be controlled from within the system automatically. The system would also make use of machine learning to detect if any solar panel malfunctions, so that our experienced technicians can find out the problematic solar panels more easily and efficiently and promptly repair the panels. The Group will continue to make use of its technical expertise and synergize with the growing client base of SPV to promote this line of business. In the long term, the aquaponic systems and other IoT systems will also be integrated into the Total Intelligent IoT system to provide one-stop service for our customers.

Solar Rechargeable Device

The Group's development of SPV technique has become more mature and we have received enquiries from various clients who would like to retain the solar power generated for their own use instead of feeding it into the power grid. Considering the growing demand, the Group's technical team is working closely with rechargeable batteries suppliers and industry experts to develop a solar rechargeable device with high safety standard and energy efficiency. Thanks to the valuable network of suppliers with whom the Group has accumulated over years of cooperation, we will continue to develop the product with an edge of safety, performance, and value for money.

Machine Learning System Environment

With the advancement of artificial intelligence (“**A.I.**”) algorithms and the ever-growing speed of Graphics Processing Units (“**GPU**”), the possibility of A.I. applications is endless. Many models of enterprise grade server with high-end GPU configuration have entered the market in response to the growth of A.I. applications, however, non-technical Small and Medium Enterprises (“**SME**”) lack the technical know-how of configuring and integrating such high-performance computers into their day-to-day operation. With the elite IT expert team of the Group, we are creating a new line of business to provide ready-to-use solutions with these high-performance technology stacks. On the one hand this helps SMEs to grasp the benefit of using high-performance computers in their businesses for quicker and more accurate forecasting and making informed business decisions with the aid of A.I. and machine learning; while on the other generating revenue for the Group from the design of the hardware stack, distribution of the software licenses and professional consultation for design and on-going support and maintenance of the hardware and software platform.

Cultural Industry

As stated in the interim report 2021, the trading of cultural products used to be another business of the Group, and the 3 pure gold ornaments kept by an independent third party renowned jewelry retailer under the consignment for sale were sold. In addition, we have displayed our cultural products which are also work of art in our Company’s website to enhance public awareness of our cultural products. We have been acquiring new cultural products or antiques for resale while keeping ourselves up-to-date with the market conditions in order to capture the right moment for realizing some of the Group’s inventories of cultural products at the right price.

Property Sector

As disclosed in the announcement of the Company dated 19 July 2017, regarding the disclosable transaction in relation to the acquisition of 51% equity interest of a Hong Kong company that indirectly owns a hotel in Dongguan through a PRC subsidiary (the “**Acquisition**”), the Directors considered the Acquisition was in line with the Group’s business diversification strategy. In addition, as disclosed in our interim report 2021, we noted that the market condition in Dongguan had changed. As expected, demand for hotel rooms in those areas continues to be depressed, and this factor was considered when this project was reviewed. By virtue of the subcontracting agreements, the Company can, on one hand, benefit from the steady, guaranteed income, while it may, on the other hand, take the initiative to terminate the agreements with the hotel operator when we consider it appropriate. If the sub-contracting agreements are terminated, we may redevelop the subject properties (together with the vacant and unused portions of land adjacent thereto) afresh into a brand new residential commercial complex project, whereby unlocking the true and inherent value of the land. We believe that the Company would be able to realize such hidden potential in this project in the foreseeable future.

While working on the redevelopment plan, the Company would actively negotiate with property developers who are looking for residential-sites in the Greater Bay Area to provide the Company with a wider choice of selling this project.

LIQUIDITY AND FINANCIAL RESOURCES

Financial Position and Gearing

The Group's financial position remained positive.

As at 30 June 2021, the Group had approximately HK\$136 million (2020: approximately HK\$107 million) liquid assets made up of deposits, bank balances and cash. Current assets were approximately HK\$284 million (2020: approximately HK\$310 million) and current liabilities amounted to approximately HK\$100 million (2020: approximately HK\$133 million). With net current assets of approximately HK\$184 million (2020: approximately HK\$177 million), the Group maintained a healthy level of financial liquidity. Gearing ratio at 30 June 2021 is not available as the Group had deficit attributable to owners of the Company (2020: 14.8).

As at 30 June 2021, the Group's total borrowings comprised other borrowing of HK\$185 million (2020: HK\$210 million) and promissory note payable of approximately HK\$38 million (2020: approximately HK\$41 million), there was no borrowing which required to be repaid within one year (2020: approximately HK\$51 million) and HK\$223 million would be repayable in the following year (2020: HK\$200 million). Finance costs for the year were approximately HK\$33 million (2020: approximately HK\$36 million).

A. Fund Raising Activities

During the year ended 30 June 2019, the Group completed a fund raising exercise to strengthen its financial position and raised total gross proceeds of approximately HK\$86.7 million, with the net proceeds therefrom having been applied as follows:

Date of announcement	Fund raising activity	Net proceeds raised	Intended use of Proceeds	Actual use of proceeds																
30 May 2018 (Note)	Rights issue on the basis of one rights share for every two existing shares held on the record date at HK\$0.40 per rights share	Approximately HK\$86.7 million	For partial repayment of loan due to Guangdong Finance Limited under a facility agreement entered into between the Company and Guangdong Finance Limited and for investment in internet communication projects of the Group and for administrative expenses and operation expenses	HK\$50.0 million was utilized for partial repayment of the loan owing to Guangdong Finance Limited and approximately HK\$20.0 million was utilized for administrative expenses and operation expenses and payment of interest on borrowings, and approximately HK\$1.7 million was utilized for trading business; and approximately HK\$12.1 million respectively was utilized and the remaining amount of approximately HK\$2.9 million were still kept for our working capital on internet communication projects of the Group. The board of directors expected that the remaining balance of approximately HK\$2.9 million will be fully utilised during the fiscal year of 2022.																
				Set out below is a further breakdown of the use of approximately HK\$20.0 million as administrative and operation expenses and payment of interest on borrowings:																
				<table border="1"> <thead> <tr> <th>Use of proceeds</th> <th>Amount (HK\$'000)</th> </tr> </thead> <tbody> <tr> <td>Loan interest</td> <td>7,400</td> </tr> <tr> <td>Cash flow for the trading business</td> <td>8,300</td> </tr> <tr> <td>General operating expenses</td> <td>300</td> </tr> <tr> <td>Legal and professional fee</td> <td>400</td> </tr> <tr> <td>Rent, management fee & government rates</td> <td>1,000</td> </tr> <tr> <td>Staff salaries</td> <td>2,600</td> </tr> <tr> <td>Total:</td> <td>20,000</td> </tr> </tbody> </table>	Use of proceeds	Amount (HK\$'000)	Loan interest	7,400	Cash flow for the trading business	8,300	General operating expenses	300	Legal and professional fee	400	Rent, management fee & government rates	1,000	Staff salaries	2,600	Total:	20,000
Use of proceeds	Amount (HK\$'000)																			
Loan interest	7,400																			
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General operating expenses	300																			
Legal and professional fee	400																			
Rent, management fee & government rates	1,000																			
Staff salaries	2,600																			
Total:	20,000																			

Note: On 10 July 2018, 54 valid acceptances in respect of a total of 133,666,176 rights shares provisionally allotted and 60 valid applications for a total of 18,140,286 excess rights shares under the rights issue were received. In aggregate, acceptance of and applications for a total of 151,806,462 rights shares were received. Based on the acceptance and application results, the rights issue was undersubscribed. Pursuant to the terms of the underwriting agreement, the underwriters (Get Nice Securities Limited and Head & Shoulders Securities Limited) eventually took up the 76,137,154 undersubscribed shares.

B. Fund Raising Activities of a subsidiary — Kantone

During the year ended 30 June 2020, Kantone completed a fund-raising exercise to strengthen its financial position and raised total gross proceeds of approximately HK\$6.3 million, with the net proceeds therefrom having been applied as follows:

Date of Announcement	Fund raising activity	Net proceeds raised	Intended use of proceeds	Actual use of proceeds												
6 May 2020	Placing of new Ordinary shares under general mandate	Approximately HK\$5.9 million	General working capital purpose	HK\$2.0 million was utilized for repayment of a loan owing to a Director and approximately HK\$3,900,000 was utilized for administrative expenses and operation expenses. Set out below is a further breakdown of the use of approximately HK\$3,900,000 as administrative expenses and operation expenses:												
				<table><thead><tr><th>Use of proceeds</th><th>Amount (HK\$'000)</th></tr></thead><tbody><tr><td>Directors' remuneration</td><td>604</td></tr><tr><td>Purchase of consignment goods</td><td>3,136</td></tr><tr><td>Legal and professional fees</td><td>139</td></tr><tr><td>General expenses</td><td><u>21</u></td></tr><tr><td>Total:</td><td><u><u>3,900</u></u></td></tr></tbody></table>	Use of proceeds	Amount (HK\$'000)	Directors' remuneration	604	Purchase of consignment goods	3,136	Legal and professional fees	139	General expenses	<u>21</u>	Total:	<u><u>3,900</u></u>
Use of proceeds	Amount (HK\$'000)															
Directors' remuneration	604															
Purchase of consignment goods	3,136															
Legal and professional fees	139															
General expenses	<u>21</u>															
Total:	<u><u>3,900</u></u>															

Treasury Policy

The Group is committed to manage its financial resources prudently and to maintain a positive liquid financial position with reasonable gearing. The Group finances its operation and business development by a combination of internally generated resources, capital market instruments and banking facilities. All the borrowings were used by subsidiaries of the Company in the form of fixed loans, margin loans and promissory notes. As all the Group's borrowings were denominated in their local currencies, the currency risk exposure associated with them was insignificant. The Group does not engage in any speculative derivatives or structured product transactions, interest rate or foreign exchange speculative activities. It is the Group's policy to manage foreign exchange risk through matching foreign exchange income with expenses and, where significant exposure to foreign exchange is anticipated, appropriate hedging instruments may be used.

Capital Commitments

As at 30 June 2021, the Group's did not have any material capital commitments (2020: approximately HK\$ Nil).

Charges

As at 30 June 2021, the other interest bearing borrowing of the Group of HK\$185 million was secured by personal guarantee provided by Ms. Wong Man Winny (an executive Director and chairperson of the Board) (“**Existing Guarantor**”) and the 128,137,958 shares of Kantone owned by the Company which represents 59.04% of the issued share capital of Kantone. As disclosed in announcement dated 4 November 2020, in view of the fact that the lender’s security interest in the shares of Kantone has been diluted as a result of the placing of shares of Kantone (as announced by the Company on 6 May 2020 and 18 May 2020) and that the lender agreed to extend the repayment date to 7 October 2021, the lender requested the Company to provide additional collaterals to the lender.

Accordingly, on 4 November 2020, the Company, the Existing Guarantor and the lender entered into a second supplemental deed (the “**Second Supplemental Deed**”) pursuant to which the Company shall provide additional collaterals to the lender, including the following share charges (collectively, the “**Share Charges**”) in respect of the shares of certain subsidiaries of the Group which were executed on the same day by the Group in favour of the lender:

- (1) the share charge in respect of all issued shares in Champion Luck International Limited, which is the sole legal and beneficial owner of the property situated at Room 703, 1188 Shangchuan Road, Shanghai, PRC valued at approximately HK\$3.9 million as at 30 June 2020;
- (2) the share charge in respect of all issued shares in Champion Million Industries Limited, which is the sole legal and beneficial owner of the property situated at Room 702, 1188 Shangchuan Road, Shanghai, PRC valued at approximately HK\$3.8 million as at 30 June 2020; and
- (3) the share charge in respect of all issued shares in Champion Pacific Investment Limited, which is the sole legal and beneficial owner of the property situated at Room 8A, Tianji Building F4.8, Tianan Chegongmiao Industrial Zone, Futian District, Shenzhen, PRC valued at approximately HK\$33 million as at 30 June 2020.

Besides, certain property, plant and equipment of the Group with the aggregate carrying amounts of approximately HK\$11 million have been pledged as collaterals for the defined benefit retirement scheme of certain subsidiaries operated in UK.

Contingent liabilities

As at 30 June 2021, the Group had no material contingent liabilities (2020: Nil).

Significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures, and future plans for material investments or capital assets

- a. On 9 February 2021, Lucky Global Group Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company, which is principally engaged in the business of investment holding (the “**Vendor**”), entered into the agreement with Grandway International Marine Limited, a company incorporated in the British Virgin Islands with limited liability, which is principally engaged in the business of trading in gasoil (the “**Purchaser**”), pursuant to which the Vendor would sell and the Purchaser would purchase the entire issued share capital of the Champion Energy Logistics Co Ltd (the “**Target**”), a company incorporated in the British Virgin Islands with limited liability and is principally engaged in the business of investing in and holding the Vessel. Pursuant to the Agreement, the Sale Shares were sold for a consideration of HK\$20,180,000. The principal asset of the Target was the vessel which was a Panamanian flag oil tanker named “**Distinction 01**” (“**Vessel**”). The Vessel was delivered to the Purchaser upon completion. The completion took place on 26 February 2021. Further details of this transaction are set out in the announcements of the Company dated 9 February 2021 and 26 February 2021.
- b. On 31 May 2021, the Company as seller and Innovative City Investment Limited as purchaser entered into the sale and purchase agreement (“**SPA**”), pursuant to which Innovative City has conditionally agreed to acquire and the Company has conditionally agreed to sell the Shares, being 128,137,958 shares of the Company entire shareholdings in Kantone Holdings Limited (“**Kantone**”), representing approximately 59.04% of the entire issued share capital of Kantone (“**Kantone Share**”) (the “**Disposal**”). As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Disposal is above 75%, the Disposal constitutes a very substantial disposal for Champion and is therefore subject to the reporting, announcement, circular and shareholders’ approval requirements under Chapter 14 of the Listing Rules. A SGM will be convened and held by Champion for the Champion Shareholders to consider and, if thought fit, to approve, among other things, the Disposal. Up to the date of this announcement, the Disposal has not yet been completed. Further details of this transaction are set out in the announcements of the Company dated 25 August 2021 and 15 September 2021.
- c. As at the date of this announcement, Multitone UK, a subsidiary of the Company, has been negotiating with the owners of an office building located right next to its existing office for acquisition of such property at around GBP600,000 (the “**Proposed Acquisition**”). The Proposed Acquisition, if materialized, would constitute a discloseable transaction of the Company. Other than the Proposed Acquisition, there is no plan for other material investments or additions of capital assets as at the date of this announcement.

Save as disclosed in this announcement, there were no significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the year ended 30 June 2021.

REMUNERATION POLICY

As at 30 June 2021, the Group employed about 190 full-time and part-time staff around the globe. Staff costs for the year ended 30 June 2021 were approximately HK\$92 million (2020: approximately HK\$94 million).

The remuneration of the employees of the Group is determined with reference to market terms and the performance, qualifications and experience of the individual employee.

Emoluments of the Directors are recommended by the Human Resources and Remuneration Committee of the Company after considering factors such as the Company's operating results, individual capabilities, performance, salaries paid by comparable companies, and time commitment and responsibilities of the position.

The Company has adopted a share option scheme that may serve as an incentive to Directors, eligible employees and consultants where appropriate.

FINAL DIVIDEND

The Directors do not recommend any payment of final dividend for the year ended 30 June 2021 (2020: Nil).

EVENT AFTER REPORTING PERIOD

A. Proposed Increase In Authorised Share Capital

In order to accommodate the growth of the Group and to provide the Company with greater flexibility to raise funds by the Rights Issue, the Board proposes to seek the approval by way of ordinary resolution by shareholders of the Company at the special general meeting (“SGM”) for an increase in its authorised share capital from HK\$150,000,000 divided into 1,500,000,000 Shares to HK\$1,600,000,000 divided into 16,000,000,000 Shares by creating an additional 14,500,000,000 unissued Shares (“**Authorised Share Capital**”). The Board believes the Increase in Authorised Share Capital are in the interests of the Company and the shareholders of the Company as a whole. Up to the date of this announcement, proposed increase in Authorised Share Capital has not yet been completed. Further details of this transaction are set out in the announcements of the Company dated 18 May 2021.

B. Proposed Rights Issue

Conditional upon the increase in Authorised Share Capital as mentioned above becoming effective and the approval by the independent shareholders at the SGM, the Board proposed to raise gross proceeds of approximately HK\$205 million on the basis of three (3) Rights Shares for every one (1) existing Share held on the Record Date by issuing 2,051,492,544 Rights Shares at the Subscription Price of HK\$0.1 per Rights Share (assuming no further issue of new Share(s) and no repurchase of Share(s) by the Company on or before the record date as announced by the Company from time to time subject to the approval of Stock Exchange (“**Record Date**”). The Rights Issue (“**Rights Issue**”) is only available to the Qualifying Shareholders and will not be extended to the Excluded Shareholders. The estimated net proceeds (after the deduction of the costs and expenses which the Company will incur in the Rights Issue) will be approximately HK\$198 million (assuming no further issue of new Share(s) and no repurchase of Share(s) by the Company on or before the Record Date). The Company intends to apply the net proceeds from the Rights Issue for partial repayment of its indebtedness and to enhance its working capital to expand the renewable energy business as well as the technology and oil trading business of the Group. Up to the date of this announcement, the proposed Rights Issue has not yet been completed. Further details of this transaction are set out in the announcements of the Company dated 18 May 2021, 22 June 2021 and 15 September 2021.

- C. On 31 May 2021, the Company as seller and Innovative City Investment Limited as purchaser entered into the sale and purchase agreement (“**SPA**”), pursuant to which Innovative City has conditionally agreed to acquire and the Company has conditionally agreed to sell the Shares, being 128,137,958 shares of the Company entire shareholdings in Kantone Holdings Limited (“**Kantone**”), representing approximately 59.04% of the entire issued share capital of Kantone (“**Kantone Share**”) (the “**Disposal**”). As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Disposal is above 75%, the Disposal constitutes a very substantial disposal for Champion and is therefore subject to the reporting, announcement, circular and shareholders’ approval requirements under Chapter 14 of the Listing Rules. A SGM will be convened and held by Champion for the Champion Shareholders to consider and, if thought fit, to approve, among other things, the Disposal. Up to the date of this announcement, the Disposal has not yet been completed. Further details of this transaction are set out in the announcements of the Company dated 25 August 2021 and 15 September 2021.

Save as disclosed above, no significant event affecting the Group occurred subsequent to 30 June 2021.

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

Neither the Company nor its subsidiaries purchased, sold or redeemed the Company's listed securities during the year ended 30 June 2021.

SCOPE OF WORK OF MOORE STEPHENS CPA LIMITED

The figures in respect of the preliminary announcement of the Group's results for the year ended 30 June 2021 have been agreed by the Group's auditor, Moore Stephens CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Moore Stephens CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Moore Stephens CPA Limited on this preliminary announcement.

CODE OF CORPORATE GOVERNANCE

Throughout the year ended 30 June 2021, the Company complied with the code provisions in the code provisions of the Corporate Governance Code (the "**CG Code**"), contained in Appendix 14 to the Listing Rules, save for the deviation of code provision A.4.1 of the CG Code below:

Under the code provision A.4.1 of the CG Code, all non-executive Directors should be appointed for a specific term, subject to re-election. Whilst one of the non-executive Director, Ms. To Yin Fong Cecilica is not appointed for a specific term, however, the term of office for non-executive Directors is subject to retirement from office by rotation and is eligible for re-election in accordance with the provisions of the Bye-laws. At each annual general meeting of the Company, one-third of the Directors for the time being, (or if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation so that each Director shall be subject to retirement at least once every three years. As such, the Company considers that such provision is sufficient to meet the underlying objectives of CG Code.

COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Specific enquiries have been made with all Directors, who have confirmed that, during the year ended 30 June 2021, each of them has complied with the required standards as set out in the Model Code.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) has reviewed with the management of the Group on the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters. The annual results of the Company for the year ended 30 June 2021 have been reviewed by the Audit Committee.

By order of the Board
CHAMPION TECHNOLOGY HOLDINGS LIMITED
WONG MAN WINNY
Chairperson

Hong Kong, 28 September 2021

As at the date of this announcement, the executive director of the Company is Ms. Wong Man Winny; the non-executive directors of the Company are Mr. Liu Ka Lim and Ms. To Yin Fong Cecilica; and the independent non-executive directors of the Company are Mr. Leung Man Fai, Mr. Chan Yik Hei and Mr. Wong Yuk Man Edmand.