

# Asia-Pac Financial Investment Company Limited

亞太金融投資有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8193



THIRD QUARTERLY REPORT **2021**

## CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This report, for which the directors of Asia-Pac Financial Investment Company Limited (the “Company” and the “Directors”, respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

*This report, in both English and Chinese versions, is available on the Company’s website at [www.gca.com.hk](http://www.gca.com.hk).*

The board of Directors (the “Board”) presents the unaudited condensed consolidated results of the Company and its subsidiaries (together, the “Group”) for the three months and nine months ended 31 December 2021, together with the relevant unaudited comparative figures for the corresponding periods in 2020, as follows.

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and nine months ended 31 December 2021

	Notes	Three months ended 31 December		Nine months ended 31 December	
		2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Loan interest income		2,188	2,848	6,718	8,375
Other revenue		2,073	6,994	12,990	23,487
<b>Total revenue</b>	3	<b>4,261</b>	9,842	<b>19,708</b>	31,862
Cost of sales		(1,157)	(2,563)	(6,895)	(9,225)
<b>Gross profit</b>		<b>3,104</b>	7,279	<b>12,813</b>	22,637
Other income	3	490	1,752	1,151	4,500
Fair value gain on financial assets at fair value through profit or loss (“FVTPL”)		8,033	6,506	18,671	11,628
Gain on disposal of financial assets at FVTPL		363	67	363	85
Marketing and administrative expenses		(5,336)	(10,010)	(22,137)	(27,780)
Finance costs	4	(1,175)	(684)	(1,709)	(2,048)
Impairment losses on other receivables		–	(350)	–	(350)
<b>Profit before tax</b>	5	<b>5,479</b>	4,560	<b>9,152</b>	8,672
Income tax credit/(expense)	6	5	(65)	(53)	(177)
<b>Profit for the period</b>		<b>5,484</b>	4,495	<b>9,099</b>	8,495

	Notes	Three months ended 31 December		Nine months ended 31 December	
		2021	2020	2021	2020
		HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)
<b>Other comprehensive income for the period, net of tax</b>					
<i>Item that may be subsequently reclassified to profit or loss:</i>					
Exchange differences arising on translating foreign operations		283	903	660	1,848
<b>Total comprehensive income for the period</b>		<b>5,767</b>	5,398	<b>9,759</b>	10,343
<b>Profit/(loss) for the period attributable to:</b>					
Owners of the Company		5,662	4,482	9,763	8,293
Non-controlling interests		(178)	13	(664)	202
		<b>5,484</b>	4,495	<b>9,099</b>	8,495
<b>Total comprehensive income/(expense) for the period attributable to:</b>					
Owners of the Company		5,945	5,385	10,423	10,141
Non-controlling interests		(178)	13	(664)	202
		<b>5,767</b>	5,398	<b>9,759</b>	10,343
<b>Earnings per share</b>			(Restated)		(Restated)
Basic and diluted (HK cents)	8	0.49	1.02	0.84	1.88

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 3 December 2010. The ordinary shares of the Company of HK\$0.02 each (the “Shares”) are listed on GEM. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the address of its principal place of business in Hong Kong is Room 304, 3rd Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong. The Company is an investment holding company.

The unaudited condensed consolidated financial statements of the Group for the nine months ended 31 December 2021 (the “Period”) have not been audited by the auditors of the Company but have been reviewed by the audit committee of the Board (the “Audit Committee”). They have been approved and authorised for issue by the Board on 9 February 2021.

## 2. BASIS OF PREPARATION

The Group’s unaudited condensed consolidated results for the Period (the “Unaudited Condensed Consolidated Results”) have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations (hereinafter collectively referred to as the “HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the applicable disclosures required by the GEM Listing Rules and the Companies Ordinance, Chapter 622 of the laws of Hong Kong.

The Unaudited Condensed Consolidated Results do not include all the information and disclosures required in the annual financial statements of the Group and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2021. The Group has adopted the new standards and amendments to HKFRSs issued by the HKICPA that are effective for the current accounting period of the Group. The adoption of these new and revised HKFRSs has had no material effect on the Group’s results and financial position for the current or prior periods.

The Group has not early adopted any new and revised HKFRSs that has been issued but are not yet effective.

### 3. REVENUE AND OTHER INCOME

The Group's revenue and other income are as follows:

	Three months ended 31 December		Nine months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
<b>Revenue</b>				
Asset advisory and asset appraisal services income	1,382	5,961	10,410	19,743
Corporate services and consultancy income	126	153	306	498
Media advertising income	565	747	2,274	2,852
Financial services	2,188	2,981	6,718	8,769
	<b>4,261</b>	9,842	<b>19,708</b>	31,862
<b>Other income</b>				
Bank interest income	–	113	1	118
Sub-leasing income	143	249	520	746
Bad debt recovery	–	–	–	164
Government subsidy	–	827	–	2,122
Sundry income	347	563	630	1,350
	<b>490</b>	1,752	<b>1,151</b>	4,500

### 4. FINANCE COSTS

	Three months ended 31 December		Nine months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Interest on bank and other borrowings	1,019	268	1,145	785
Interest on promissory notes	150	405	548	1,215
Interest on lease liabilities	6	11	16	47
Other	–	–	–	1
	<b>1,175</b>	684	<b>1,709</b>	2,048

## 5. PROFIT BEFORE TAX

The Group's profit before tax is stated after charging/(crediting) the followings:

	Three months ended 31 December		Nine months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Depreciation				
– Owned assets	85	53	121	157
– Right-of-use assets	164	–	354	–
Fair value gain on financial assets at FVTPL	(8,033)	(6,506)	(18,671)	(11,628)
Gain on disposal of financial assets at FVTPL	(363)	(67)	(363)	(85)

## 6. INCOME TAX CREDIT/(EXPENSE)

	Three months ended 31 December		Nine months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
<b>Current tax – Hong Kong Profits Tax</b>				
Provision for the Period	5	(65)	(53)	(177)

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of a corporation will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. For the nine months ended 31 December 2021 (the "Period"), Hong Kong Profits Tax of the nominated Group company is calculated in accordance with the two tiered profits tax rates regime. The assessable profits of other Group companies in Hong Kong will continue to be taxed at the tax rate of 16.5%.

There was no significant unprovided deferred tax for the relevant periods and at the end of each reporting period.

Enterprise Income Tax (the "EIT") in the People's Republic of China (the "PRC") is provided at the rate of 25% (2020: 25%) applicable to the subsidiaries in the PRC on the income for statutory reporting purpose, adjusted for income and expense items which are not assessable or deductible for income tax purposes based on existing PRC income tax regulations, practices and interpretations thereof.

No provision for EIT is required as the Group's PRC subsidiaries did not have assessable profit for the Period (nine months ended 31 December 2020: Nil).

## 7. DIVIDEND

The Board has resolved not to declare the payment of a dividend for the Period (nine months ended 31 December 2020: Nil).

## 8. EARNINGS PER SHARE

### Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to owners of the Company for the three months and nine months ended 31 December 2021 of approximately HK\$5,662,000 (2020: attributable to owners of the Company HK\$4,482,000) and HK\$9,763,000 (2020: attributable to owners of the Company HK\$8,293,000), respectively and the weighted average number of shares for the three months and nine months ended 31 December 2021 of 1,165,911,720 (2020 (restated): 440,240,525) in issue.

For the purpose of calculation of basic earnings per share for the three months and nine months ended 31 December 2021 and 2020, the share consolidation and bonus element in the rights issue of the Company being effective on 19 August 2020 and 22 February 2021, respectively were deemed to be effective throughout the nine months ended 31 December 2021 and 2020. Accordingly, the weighted average number of ordinary shares of the Company in issue during the three months and nine months ended 31 December 2021 and 2020 were adjusted to reflect the share consolidation and bonus element in the rights issue.

### Diluted earnings per share

Diluted earnings per share attributable to owners of the Company for the three months and nine months ended 31 December 2021 and 2020 are the same as the respective basic earnings per share because no potential dilutive Shares outstanding during the respective periods.

## 9. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company								
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Foreign currency translation reserve HK\$'000	Share options reserve HK\$'000	Accumulated losses HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
<b>At 1 April 2021 (audited)</b>	23,319	608,005	5,359	(477)	11,720	(488,995)	158,931	5,794	164,725
Recognition of share-based payments (unaudited)	-	-	-	-	1,524	-	1,524	-	1,524
Lapse of share options (unaudited)	-	-	-	-	(25)	25	-	-	-
Total comprehensive income/(expense) for the Period (unaudited)	-	-	-	660	-	9,763	10,423	(664)	9,759
Changes in equity for the Period	-	-	-	660	1,499	9,788	11,947	(664)	11,283
<b>At 31 December 2021 (unaudited)</b>	23,319	608,005	5,359	183	13,219	(479,207)	170,878	5,130	176,008
<b>At 1 April 2020 (audited)</b>	58,296	581,772	5,359	(1,635)	21,809	(547,307)	118,294	5,208	123,502
Profit and total comprehensive income for the Period (unaudited)	-	-	-	1,848	-	8,293	10,141	202	10,343
Lapse of share options (unaudited)	-	-	-	-	(10,090)	10,090	-	-	-
<b>At 31 December 2020 (unaudited)</b>	58,296	581,772	5,359	213	11,719	(528,924)	128,435	5,410	133,845

## 10. EVENTS AFTER THE REPORTING PERIOD

There was no significant event relevant to the business or financial performance of the Group that came to the attention of the Directors after the Period.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

The Group's business can be broadly categorised into four main sectors: (i) asset advisory services and asset appraisal; (ii) corporate services and consultancy; (iii) media advertising; and (iv) financial services.

### Asset Advisory Services and Asset Appraisal

Asset advisory services and asset appraisal are the core business of the Group, which typically involve the provision of independent valuation services to a number of listed groups to meet market, regulatory and fiduciary requirements, sourcing and identifying potential investment opportunities or investors, undertaking due diligence and evaluation on the underlying assets and provision of procedural and strategic business advices. Asset advisory services income is primarily success-based and project-based nature.

### Corporate Services and Consultancy

The corporate services and consultancy segment mainly focuses on the provision of advice to corporations in areas such as corporate governance, internal control, enterprise risk management and other operational aspects as well as provision of back office administration.

### Media Advertising

Media advertising income is generated mainly through its in-elevator poster frames network and liquid-crystal-display network inside the elevators or lift lobbies of middle to high-end residential communities.

### Financial Services

The financial services segment mainly is provision of money lending services. The services mainly involves provision of financial credit services such as personal loans and commercial loans to individuals and corporations.

## FINANCIAL REVIEW

The Group's revenue for the Period was approximately HK\$19.7 million (nine months ended 31 December 2020: approximately HK\$31.9 million), representing a decrease of approximately 38.2% from that of the corresponding period of 2020 (the "Last Correspondence Period"). The decrease was mainly attributable to the decrease in revenue arising from the asset advisory and consultancy services due to the timing effect from delivery of reports.

The Group's cost of sales for the Period was approximately HK\$6.9 million (nine months ended 31 December 2020: approximately HK\$9.2 million), representing a decrease of approximately 25% from those of the Last Corresponding Period. The decrease in cost of sales was in line with the decrease in revenue during the Period.

The Group's marketing and administrative expenses for the Period were approximately HK\$22.1 million (nine months ended 31 December 2020: approximately HK\$27.8 million), representing a decrease of approximately 20.5% from those of the Last Corresponding Period. The decrease in such expenses was due to the implementation of cost control measures during the Period.

The Group's total net fair value gain on financial assets at FVTPL and net gain on disposal of financial assets at FVTPL for the Period were approximately HK\$19.0 million (nine months ended 31 December 2020: total net fair value gain on financial assets at FVTPL and net gain on disposal of financial assets at FVTPL were approximately HK\$11.7 million). Details are set out in the section headed "Significant Investments Held".

The Group's finance costs for the Period amounted to approximately HK\$1.7 million (nine months ended 31 December 2020: approximately HK\$2.0 million), representing a decrease of approximately 15% from those of the Last Corresponding Period. The decrease in finance costs was in line with the decrease in promissory notes during the Period.

Accordingly, the profit attributable to owners of the Company for the Period was approximately HK\$9.8 million (nine months ended 31 December 2020: profit of HK\$8.3 million). The gain was mainly attributable to the total net fair value gain on financial assets at FVTPL of approximately HK\$19.0 million for the Period.

## CAPITAL STRUCTURE

	Notes	Number of shares '000	Amount HK\$'000
<b>Authorised:</b>			
At 1 April 2020 (HK\$0.1 each)		1,000,000	100,000
Share Consolidation	a	(500,000)	–
At 30 September 2020 (HK\$0.2 each)		500,000	100,000
Share Sub-division	a	4,500,000	–
Increase in Authorised Share Capital	b	45,000,000	900,000
As at 1 April 2021 and 31 December 2021 (HK\$0.02 each)		50,000,000	1,000,000
<b>Issued and fully paid:</b>			
At 1 April 2020 (HK\$0.1 each)		582,956	58,296
Share Consolidation	a	(291,478)	–
At 30 September 2020 (HK\$0.2 each)		291,478	58,296
Capital Reduction	a	–	(52,466)
Rights Issue	b	874,434	17,489
As at 1 April 2021 and 31 December 2021 (HK\$0.02 each)		1,165,912	23,319

- a. An ordinary resolution was passed at the extraordinary general meeting of the Company held on 17 August 2020 approving the Share Consolidation (defined as below), the Capital Reduction (defined as below) and the Share Sub-division (defined as below) on the basis that:
- (i) Every two issued and unissued shares of HK\$0.1 each in the share capital of the Company be consolidated into one share of HK\$0.20 (the "Share Consolidation") which effect on 19 August 2020. Following the implementation of the Share Consolidation, the Company's authorised share capital becomes HK\$100,000,000 divided into 500,000,000 shares of HK\$0.20 each, and its issued share capital becomes HK\$58,295,586 divided into 291,477,930 shares of HK\$0.20 each (the "Consolidated Shares").
  - (ii) Immediately following the Share Consolidation taking effect, the issued share capital of the Company was reduced by cancelling paid up capital to the extent of HK\$0.18 on each of the Consolidated Shares in issue such that the par value of all the issued Consolidated Shares be reduced (the "Capital Reduction") from HK\$0.20 each to HK\$0.02 each which effected on 19 November 2020.

- (iii) Immediately following the Capital Reduction becoming effect, each of the authorised but unissued Consolidated Shares of par value of HK\$0.20 each will be sub-divided into ten new shares of par value of HK\$0.02 each (the “Share Sub-division”) which effected on 19 November 2020.
- b. An ordinary resolution was passed at the extraordinary general meeting of the Company held on 6 January 2021 approving the Increase in Authorised Share Capital (defined as below) and the Right Issue (defined as below) on the basis that:
  - (i) the authorised share capital of the Company was increased from HK\$100,000,000 divided into 5,000,000,000 shares of HK\$0.02 each, to HK\$1,000,000,000 by the creation of an additional 45,000,000,000 new shares of HK\$0.02 each (the “Increase in Authorised Share Capital”).
  - (ii) Subject to and forthwith upon Increase in Authorised Share Capital taking effect, the Company issued 874,433,790 new ordinary shares under rights issue at a subscription price of HK\$0.05 per share on the basis of three shares for every one ordinary share (the “Rights Issue”). The rights issue was completed on 22 February 2021 and the Company raised gross proceeds of approximately HK\$43,722,000 before deduction of incidental share issuance expenses.

## REVIEW ON PROVISION OF FINANCIAL ASSISTANCE

During the Period, none of the financial assistance provided by the Group constituted “discloseable transaction” under Chapter 19 of the GEM Listing Rules, “connected transaction” under Chapter 20 of the GEM Listing Rules and “advances to entity” which requires disclosure pursuant to Chapter 17 of the GEM Listing Rules.

## SIGNIFICANT INVESTMENTS HELD

As at 31 December 2021, the Group's financial assets at FVTPL, with a total market value of approximately HK\$68.3 million (31 March 2021: HK\$49.7 million). Details of the financial assets at FVTPL were set out as follows:

Name of securities	Investment cost HK\$'000	Number of shares held	As at 31 December 2021				For the nine months ended 31 December 2021		As at 31 March 2021
			Approximate percentage of shareholding interest	Fair value HK\$'000	Approximate percentage to the financial assets at FVTPL	Approximate percentage to the net assets	Realised gain HK\$'000	Unrealised gain HK\$'000	Fair value/ carrying value HK\$'000
WLS Holdings Limited ("WLS") (Stock code: 8021) (Note 1)	17,197	250,310	1.74%	12,765	18.70%	7.3%	-	3,504	9,261
Other investments (Note 2)	42,112	207,470	N/A	55,572	81.30%	31.5%	363	15,167	40,406
	59,309	457,780		68,338	100%	38.8%	363	18,671	49,667

### Notes:

1. WLS is principally engaged in the provision of scaffolding and fitting-out services, management contracting services, other services for construction and buildings work, money lending business and trading of securities in Hong Kong.
2. The fair value of each of these investments represented less than 5% of the net assets of the Group as at 31 December 2021.

During the Period, the Group recorded a realised gain of approximately HK\$363,000 and an unrealised gain of approximately HK\$18.7 million (nine months ended 31 December 2020: realised gain of approximately HK\$85,000 and unrealised gain of approximately HK\$11.6 million) under the volatile stock market conditions.

The future performance of the equity securities held by the Group may be influenced by the Hong Kong stock market. In this regard, the Group will continue to maintain a diversified investment portfolio and closely monitor the performance of its investments and the market trends to adjust its investment strategies.

Save as disclosed above, there were no other significant investments held by the Group as at 31 December 2021.

## OUTLOOK

Looking ahead, the revenue from each of the sectors of asset advisory and corporate consultancy services remains promising with a steady demand for professional commercial services in the PRC, Taiwan, Hong Kong and Macau (together, the “Greater China”). As companies in the Greater China, especially in the PRC, continue to expand in corporate size, operational complexity and geographical diversification as well as undergo restructuring, listing and mergers and acquisitions, the demand for a leading professional advisor on asset value, procedures and regulations, as well as investment matching is expected to remain high. In view of the Group’s existing competitive advantages and market position in its core business segments, the Group is confident that its experienced professional teams and provision of convenient one-stop professional services will keep it well-positioned to capture the surging business opportunities.

Due to the keen competition in the media advertising industry in the PRC and reduced demand from freezing of marketing spend in view of outbreak of COVID-19, the Group will dedicate even more efforts to broaden its customer base, improve cost control and actively adjust the business strategy in respond to COVID-19 and latest market changes.

The financial services segment is expected to be stable in coming year. The Group will continue its effort to enhance our competitiveness within the ever changing industry and economy. The Group will closely monitor its cash position, and will continue to seek investment and business opportunities, with a view to achieving a sustainable growth, increasing profitability and ultimately maximising the return to the shareholders of the Company.

## OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2021, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which would have: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register as referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

#### (a) Long positions in the Shares

Name of Directors	Capacity/ nature of interests	Number of issued Shares held	Number of underlying Shares held	Total	Approximate percentage to the issued Shares (Note 1)
Mr. Ip Kwok Kwong ("Mr. Ip")	Interest in controlled corporation and beneficial owner/ Corporate interest and personal interest	15,542,500 (Note 2)	4,402,438 (Note 3)	19,944,938	1.71%
Mr. Wu Di ("Mr. Wu")	Beneficial owner/ Personal interest	–	4,402,438 (Note 3)	4,402,438	0.38%
Mr. So Kwok Yun ("Mr. So")	Beneficial owner/ Personal interest	–	4,402,438 (Note 4)	4,402,438	0.38%
Mr. Tang Wai Kee ("Mr. Tang")	Beneficial owner/ Personal interest	–	4,402,438 (Note 4)	4,402,438	0.38%

*Notes:*

1. The percentage is calculated on the basis of the total number of issued Shares as at 31 December 2021 (i.e. 1,165,911,720 Shares).
2. 15,542,500 Shares were held by Brilliant One Holdings Limited ("Brilliant One") which was wholly owned by GC Holdings Limited ("GC Holdings"). GC Holdings was wholly owned by Mr. Ip, an executive Director (the "ED") and the Managing Director (the "MD"). By virtue of the SFO, Mr. Ip was deemed to have interests in all the Shares held by Brilliant One.
3. Mr. Ip and Mr. Wu, EDs were granted the options under the share option scheme of the Company on 18 April 2019 at an exercise price of HK\$0.369 (adjusted) per Share with the exercisable period from 18 April 2019 to 17 April 2022 (both dates inclusive).
4. Mr. So and Mr. Tang, independent non-executive Directors were granted the options under the share option scheme of the Company on 31 March 2020 at an exercise price of HK\$0.151 (adjusted) per Share with the exercisable period from 31 March 2020 to 30 March 2023 (both dates inclusive).

## **(b) Long positions in the shares of associated corporations**

<b>Name of Director</b>	<b>Name of associated corporations</b>	<b>Capacity/nature of interests</b>	<b>Number of issued shares held</b>	<b>Percentage of interest in associated corporations</b>
Mr. Ip <sup>(Note)</sup>	Brilliant One	Interest in a controlled corporation/Corporate interest	200	100%
Mr. Ip <sup>(Note)</sup>	GC Holdings	Beneficial owner/Personal interest	1	100%

*Note:* The Company was owned as to approximately 1.33% by Brilliant One. Brilliant One was wholly owned by GC Holdings which was in turn wholly owned by Mr. Ip.

Save as disclosed above, as at 31 December 2021, none of the Directors or the chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which would have: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register as referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 31 December 2021, the following corporations which or persons who (other than a Director or the chief executive of the Company) had interests or short positions in the Shares and the underlying Shares, which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to section 336 of the SFO:

### Long positions in the Shares

Name of shareholders	Capacity/ nature of interests	Number of issued Shares held	Approximate percentage to the issued Shares <i>(Note 1)</i>
Laberie Holdings Limited ("Laberie") <i>(Note 2)</i>	Beneficial Owner/Personal interest	280,000,000	24.02%
SEEC Media Group Limited ("SEEC Media") <i>(Note 2)</i>	Interest in a controlled Corporation/Corporate interest	280,000,000	24.02%

#### Notes:

- The percentage is calculated on the basis of the total number of issued Shares as at 31 December 2021 (i.e. 1,165,911,720 Shares).
- Laberie was wholly owned by SEEC Media. By virtue of the SFO, SEEC Media was deemed to be interested in all the Shares held by Laberie.

Save as disclosed above, as at 31 December 2021, the Company had not been notified by any corporations which or persons who (other than a Director or the chief executive of the Company) had interests or short positions in the Shares or the underlying Shares, which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO.

## **SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the rules set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in the securities of the Company by the Directors (the “Required Standard of Dealings”). The Company had made a specific enquiry with each of the Directors and all of them confirmed that they had complied with the Required Standard of Dealings during the Period.

## **MANAGEMENT CONTRACTS**

No contracts, other than a contract of service with any Director or any person under the full-time employment of the Company, concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Period.

## **DIRECTORS’ INTERESTS IN COMPETING BUSINESS**

To the best of the Directors’ knowledge, none of the Directors or the substantial shareholders (as defined in the GEM Listing Rules) of the Company or their respective close associates (as defined in the GEM Listing Rules) had any interest in the business that competed or might compete or was likely to compete, either directly or indirectly, with the business of the Group during the Period.

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

The Company did not redeem any of its Shares listed on GEM nor did the Company or any of its subsidiaries purchase or sell any of such Shares during the Period.

## **CORPORATE GOVERNANCE**

The Company has complied with, where applicable, the code provisions as set out in the Corporate Governance Code as contained in Appendix 15 to the GEM Listing Rules (the “CG Code”) during the Period save for code provision C.2.1 of the CG Code, which requires that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

The Company currently does not have any officer who carries the title of the chairman of the Board (the “Chairman”) or chief executive officer of the Company (the “CEO”) but instead, the roles of both the Chairman and the CEO are performed by Mr. Ip, an ED and the MD. The Board believes that vesting the roles of both Chairman and CEO in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies.

In addition, as all major decisions are made in consultation with members of the Board and relevant Board committees, and there are three independent non-executive Directors offering independent perspectives, the Board is of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code, and maintain a high standard of corporate governance practices of the Company.

## **AUDIT COMMITTEE**

The Unaudited Condensed Consolidated Results and this report have been reviewed by the audit committee of the Board, which was of the opinion that such statements and report had been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

By order of the Board  
**Asia-Pac Financial Investment Company Limited**  
**Ip Kwok Kwong**  
*Executive Director and Managing Director*

Hong Kong, 9 February 2022

*As at the date of this report, the Board comprises Mr. Ip Kwok Kwong (Managing Director) and Mr. Wu Di as executive Directors; and Mr. Sek Wai Kit, Mr. So Kwok Yun and Mr. Tang Wai Kee as independent non-executive Directors.*