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SunCorp Technologies Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1063)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

UNAUDITED INTERIM RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of SunCorp Technologies Limited (the “**Company**”) presents the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2023 together with the comparative figures in 2022, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2023

	Notes	2023 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000
Revenue	3	40,779	64,907
Cost of sales		<u>(34,020)</u>	<u>(59,095)</u>
Gross profit		6,759	5,812
Other income	4	163	–
Distribution and selling expenses		(21)	(4,603)
Operating expenses		(7,607)	(17,277)
Unrealised losses on financial assets at fair value through profit or loss (“ FVTPL ”)		(20,205)	(31,113)
Realised gain on financial assets on FVTPL		<u>–</u>	<u>20</u>
Loss from operation		(20,911)	(47,161)
Finance costs		<u>(104)</u>	<u>(139)</u>
Loss before tax		(21,015)	(47,300)
Income tax	5	<u>–</u>	<u>–</u>
Loss for the period	6	<u>(21,015)</u>	<u>(47,300)</u>

		2023	2022
		(Unaudited)	(Unaudited)
	<i>Notes</i>	HK\$'000	HK\$'000
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		—	—
		<u>—</u>	<u>—</u>
Loss and total comprehensive income for the period		(21,015)	(47,300)
		<u>(21,015)</u>	<u>(47,300)</u>
Loss for the period attributable to:			
Owner of the Company		(21,015)	(44,240)
Non-controlling interests		—	(3,060)
		<u>—</u>	<u>(3,060)</u>
		(21,015)	(47,300)
		<u>(21,015)</u>	<u>(47,300)</u>
Loss and total comprehensive income for the period attributable to:			
Owner of the Company		(21,015)	(44,240)
Non-controlling interests		—	(3,060)
		<u>—</u>	<u>(3,060)</u>
		(21,015)	(47,300)
		<u>(21,015)</u>	<u>(47,300)</u>
Loss per share attributable to owners of the Company (HK cents)			
– Basic	7	(1.37)	(3.07)
		<u>(1.37)</u>	<u>(3.07)</u>
– Diluted		N/A	N/A
		<u>N/A</u>	<u>N/A</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 30 June 2023 (Unaudited) <i>HK\$'000</i>	At 31 December 2022 (Audited) <i>HK\$'000</i>
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment		–	–
Right-of-use assets		56	169
Investment in an associate		79	79
Deposits		205	205
Deferred tax assets		23	23
		363	476
Current assets			
Inventories		5,025	4,758
Trade and other receivables	9	55,785	68,100
Loan receivables	10	101,980	101,153
Financial asset at FVTPL		56,517	74,974
Tax recoverable		123	123
Cash and bank balances			
– Segregated accounts		7,088	5,742
– House accounts		32,714	26,848
		259,232	281,698
Current liabilities			
Trade and other payables	11	74,166	74,726
Lease liabilities		1,222	1,310
Bank loan		1,795	2,177
		77,183	78,213
Net current assets		182,049	203,485
Total assets less current liabilities		182,412	203,961
Non-current liabilities			
Lease liabilities		218	752
Net Assets		182,194	203,209
Equity			
Capital and reserves attributable to owners of the Company			
Share capital	12	9,231	9,231
Reserves		173,413	194,408
		182,644	203,659
Non-controlling interest		(450)	(450)
Total equity		182,194	203,209

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2023

	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Other capital reserve <i>HK\$'000</i>	Contributed surplus <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Share option reserve <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Non- controlling interest <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 January 2022 (Audited)	8,958	125,151	14,945	441,253	(140)	5,078	(338,149)	(88)	257,008
Loss and total comprehensive income for the period	-	-	-	-	-	-	(44,240)	(3,060)	(47,300)
Issue of shares upon exercise of share options	273	4,759	-	-	-	(1,476)	-	-	3,556
Share option lapsed	-	-	-	-	-	(783)	783	-	-
At 30 June 2022 (Unaudited)	<u>9,231</u>	<u>129,910</u>	<u>14,945</u>	<u>441,253</u>	<u>(140)</u>	<u>2,819</u>	<u>(381,606)</u>	<u>(3,148)</u>	<u>213,264</u>
At 1 January 2023 (Audited)	<u>9,231</u>	<u>129,910</u>	<u>14,945</u>	<u>441,253</u>	<u>(141)</u>	<u>2,819</u>	<u>(394,358)</u>	<u>(450)</u>	<u>203,209</u>
Loss and total comprehensive income for the period	-	-	-	-	-	-	(21,015)	-	(21,015)
Share options lapsed	-	-	-	-	-	(2,819)	2,819	-	-
At 30 June 2023 (Unaudited)	<u>9,231</u>	<u>129,910</u>	<u>14,945</u>	<u>441,253</u>	<u>(141)</u>	<u>-</u>	<u>(412,554)</u>	<u>(450)</u>	<u>182,194</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2023

	2023 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000
Net cash from/(used in) operating activities	<u>6,865</u>	<u>(17,867)</u>
Net cash used in investing activities	<u>5</u>	<u>–</u>
Net cash (used in)/from financing activities	<u>(1,004)</u>	<u>2,609</u>
Net increase/(decrease) in cash and cash equivalents	5,866	(15,258)
Effect of foreign exchange rate changes	–	–
Cash and cash equivalents at the beginning of the period	<u>26,848</u>	<u>52,875</u>
Cash and cash equivalents at the end of the period	<u>32,714</u>	<u>37,617</u>
Analysis of cash and cash equivalents		
Cash and bank balances – House accounts	<u>32,714</u>	<u>37,617</u>

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2023

1. BASIS OF PREPARATION

These condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2023 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2022.

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

In the current period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2023. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior years.

The following new and amended standards and interpretations are adopted for the first time for financial year beginning 1 January 2023:

Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

3. REVENUE AND SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers, for the purposes of resources allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group’s reportable and operating segments under HKFRS 8 are as follows:

1. Used computer-related components – Processing and trading of used computer-related components
2. Money lending business – Interest income earned from money lending business
3. Securities brokerage – Provision of securities broking services
4. Sales of clothes and beauty products

Segment revenue and results

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

Six months ended 30 June 2023 (unaudited)

	Used computer- related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	Sales of clothes and beauty products <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue	<u>6,066</u>	<u>5,027</u>	<u>1,008</u>	<u>28,678</u>	<u>40,779</u>
Segment (loss)/profit	<u>(239)</u>	<u>4,864</u>	<u>(466)</u>	<u>164</u>	<u>4,323</u>
Unrealised loss on financial assets at FVTPL					(20,205)
Unallocated expenses					(5,029)
Finance costs					<u>(104)</u>
Loss before tax					<u>(21,015)</u>

Six months ended 30 June 2022 (unaudited)

	Used computer- related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	Sales of clothes and beauty products <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue	<u>31,386</u>	<u>4,928</u>	<u>1,231</u>	<u>27,362</u>	<u>64,907</u>
Segment (loss)/profit	<u>957</u>	<u>1,757</u>	<u>(548)</u>	<u>(2,456)</u>	<u>(290)</u>
Unrealised loss on financial assets at FVTPL					(31,113)
Realised gain on financial assets at FVTPL					20
Unallocated expenses					(15,778)
Finance costs					<u>(139)</u>
Loss before tax					<u>(47,300)</u>

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

Segment assets

	At 30 June 2023 (Unaudited) HK\$'000	At 31 December 2022 (Audited) HK\$'000
Used computer-related components	9,278	10,076
Money lending	104,186	103,359
Provision of brokerage, placing and underwriting services	23,800	29,915
Sales of clothes and beauty products	45,201	46,644
	<hr/>	<hr/>
Total segment assets	182,465	189,994
Unallocated assets	77,130	92,180
	<hr/>	<hr/>
Consolidated assets	<u>259,595</u>	<u>282,174</u>

Segment liabilities

	At 30 June 2023 (Unaudited) HK\$'000	At 31 December 2022 (Audited) HK\$'000
Used computer-related components	2,033	2,531
Money lending	7,181	7,687
Provision of brokerage, placing and underwriting services	7,212	5,873
Sales of clothes and beauty products	28,504	29,861
	<hr/>	<hr/>
Total segment liabilities	44,930	45,952
Unallocated liabilities	32,471	33,013
	<hr/>	<hr/>
Consolidated liabilities	<u>77,401</u>	<u>78,965</u>

Information about major customers

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

	Six months ended 30 June	
	2023	2022
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Customer A <i>(Note)</i>	18,564	18,385
Customer B <i>(Note)</i>	10,114	8,977

Note:

Revenue from sales of clothes and beauty products.

4. OTHER INCOME

	Six months ended 30 June	
	2023	2022
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Bank interest income	5	–
Sundry income	158	–

5. INCOME TAX

For the six months ended 30 June 2023 and 2022, Hong Kong Profits Tax has not been provided in the consolidated financial statements as the Group's Hong Kong subsidiaries either did not have assessable profit or had sufficient tax losses brought forward to offset against current period's assessable profits.

6. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging:

	Six months ended 30 June	
	2023	2022
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Cost of inventories recognised as an expense	34,020	59,095
Depreciation of right-of-use assets	113	113
Net foreign exchange losses	–	4
Staff costs including directors' emoluments	2,290	2,292

7. LOSS PER SHARE

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

	Six months ended 30 June	
	2023	2022
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Loss		
Loss for the period attributable to owners of the Company for the purpose of basic and diluted loss per share	<u>(21,015)</u>	<u>(44,240)</u>
	Six months ended 30 June	
	2023	2022
	(Unaudited)	(Unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>1,538,536,566</u>	<u>1,509,312,257</u>

The basic and diluted loss per share are the same for the six months ended 30 June 2023 and 2022, as the effect of the share options was anti-dilutive and was not included in the calculation of diluted loss per share.

8. DIVIDENDS

No dividend was paid or proposed during the six months ended 30 June 2023 and 2022.

9. TRADE AND OTHER RECEIVABLES

	At 30 June 2023 (Unaudited) <i>HK\$'000</i>	At 31 December 2022 (Audited) <i>HK\$'000</i>
Trade receivables arising from the ordinary course of business of dealing in securities transactions:		
– Cash clients	406	8,407
Less: Allowance for ECL	(93)	(93)
	<u>313</u>	<u>8,314</u>
Trade receivables from other ordinary course of business, other than business of dealing in securities transactions	42,932	44,776
Less: Allowance for ECL	(812)	(812)
	<u>42,120</u>	<u>43,964</u>
Deposits in brokerage firms	2,261	–
Deposits, prepayments and other receivables	13,466	18,197
Less: Allowance for ECL	(2,375)	(2,375)
	<u>13,352</u>	<u>15,822</u>
Total trade and other receivables	<u><u>55,785</u></u>	<u><u>68,100</u></u>

The Group allows a credit period on sales of goods from 30 to 90 days to its trade customers. The following is an ageing analysis of trade receivables presented based on the invoice dates at the end of the reporting period:

	At 30 June 2023 (Unaudited) <i>HK\$'000</i>	At 31 December 2022 (Audited) <i>HK\$'000</i>
0-30 days	7,056	5,798
31-60 days	7,468	5,160
61-90 days	14,243	8,023
Over 90 days	13,353	24,983
	<u>42,120</u>	<u>43,964</u>

The normal settlement term of trade receivables arising from the ordinary course of business of dealing in securities are 2 trading days after trade date.

10. LOAN RECEIVABLES

The ageing analysis of the Group's loan receivables based on remaining contractual maturity dates:

	At 30 June 2023 (Unaudited) HK\$'000	At 31 December 2022 (Audited) HK\$'000
Loan receivables	159,292	158,465
Less: Allowance for ECL	<u>(57,312)</u>	<u>(57,312)</u>
	<u>101,980</u>	<u>101,153</u>

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

The loan receivables were repaid in accordance with the terms of the loan agreements and all loan receivables are recoverable within 1 year.

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

As at 30 June 2023, the Group's loan receivables are denominated in HK\$ and carried at fixed effective interest rate ranging from 8% to 10% (31 December 2022: 8% to 10%) per annum and with the terms of 1 year (31 December 2022: 1 year).

11. TRADE AND OTHER PAYABLES

	At 30 June 2023 (Unaudited) HK\$'000	At 31 December 2022 (Audited) HK\$'000
Trade payables arising from the ordinary course of business of dealing in securities transactions:		
– Cash clients	7,088	5,397
Trade payables from purchase of goods arising from other ordinary course of business, other than business of dealing in securities transactions	54,075	55,701
Other payables and accrued expenses	12,803	13,428
Provision for reinstatement cost	<u>200</u>	<u>200</u>
	<u>74,166</u>	<u>74,726</u>

The credit period on purchase of goods ranges from 30 to 60 days. The following is an ageing analysis of trade payables presented based on invoice dates at the end of the reporting period:

	At 30 June 2023 (Unaudited) HK\$'000	At 31 December 2022 (Audited) HK\$'000
0-30 days	6,761	7,578
31-60 days	7,468	4,572
61-90 days	7,167	8,118
Over 90 days	32,679	35,433
	<u>54,075</u>	<u>55,701</u>

The settlement term of accounts payable arising from the business of dealing in securities are 2 days after trade date.

12. SHARE CAPITAL

	<i>Number of ordinary shares at HK\$0.006 per ordinary share</i>	<i>Amount HK\$'000</i>
Authorised		
At 1 January 2022 (audited), 30 June 2022 (unaudited), 1 January 2023 (audited) and 30 June 2023 (unaudited)	<u>100,000,000,000</u>	<u>600,000</u>
Issue and fully paid		
At 1 January 2023 (audited) and 30 June 2023 (unaudited)	<u>1,538,536,566</u>	<u>9,231</u>
At 1 January 2022 (audited)	1,492,936,566	8,958
Issue of shares upon exercise of share options	<u>45,600,000</u>	<u>273</u>
At 30 June 2022 (unaudited)	<u>1,538,536,566</u>	<u>9,231</u>

DIRECTOR'S STATEMENT

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of SunCorp Technologies Limited (the “**Company**”), I present to you the unaudited interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2023.

BUSINESS REVIEW

For the six months ended 30 June 2023, the Group's revenue amounted to approximately HK\$40.8 million, representing a decrease of approximately 37.2% as compared with the revenue of approximately HK\$64.9 million for the corresponding period in 2022. In relation to the Group's total revenue, approximately 14.9% resulted from the processing and trading of used computer-related components, approximately 12.3% resulted from interest income earned from money lending business, approximately 2.5% contributed from securities brokerage, placing and underwriting business and approximately 70.3% contributed by sales of clothes and beauty products business.

Gross profit from operation for the period under review was approximately HK\$6.8 million, representing an increase of approximately 17.2% as compared with the gross profit of approximately of HK\$5.8 million for the corresponding period in 2022. The Group's unaudited consolidated loss for the period under review was approximately HK\$21.0 million, which was mainly due to the unrealised loss on financial assets at FVTPL of approximately HK\$20.2 million for the six months ended 30 June 2023.

As at 30 June 2023, interest income earned from money lending business was approximately HK\$5.0 million for the six months ended 30 June 2023.

OUTLOOK AND PROSPECT

In view of the highly unpredictable business environment, we are evaluating different business segments within the Group and reposition our strategy and business operation in more optimistic business segments. During the period under review, the Group has obtained the licenses of Types 4 and 9 issued by the Securities and Futures Commission for operating a virtual asset trading platform. It is expected that the Group will deploy more resources in developing the business of the asset management in the future.

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

ACKNOWLEDGEMENT

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

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

For the six months ended 30 June 2023, the Group recorded a revenue of approximately HK\$40.8 million which represented a decrease of approximately 37.2% as compared to the corresponding figure for the six months ended 30 June 2022.

The gross profit for the period under review was approximately HK\$6.8 million as compared to approximately HK\$5.8 million for the previous period.

During the six months ended 30 June 2023, the sales of clothes and beauty products business continued to contribute a significant percentage to our revenue. We continue to be optimistic at this business segment and will capture more market opportunities as and when appropriate. On the other hand, the sales and marketing of electronic equipment and related products was still an important source of income of the Group. In addition, the financial arm of the Group comprising of securities brokerage, placing and underwriting business and money lending business also contributed the revenue to the Group during the period. Details please refer to note 3.

LIQUIDITY AND FINANCIAL RESOURCES

As compared with 31 December 2022, the decrease in current ratio from 3.60 to 3.36 was mainly due to decrease in the financial assets at FVTPL as at 30 June 2023.

As at 30 June 2023, the Group had cash on hand of approximately HK\$32.7 million, current assets of approximately HK\$259.2 million, total assets of approximately HK\$259.6 million and shareholders' equity of approximately HK\$182.2 million.

GEARING RATIO

As at 30 June 2023, the Group generally financed its operations through internally-generated cash flows, shareholders equity and external bank loan and borrowings. The gearing ratio was approximately 1.0% as at 30 June 2023 (31 December 2022: approximately 1.1%).

CAPITAL STRUCTURE

As at 30 June 2023, the authorised share capital of the Company was HK\$600,000,000, which divided into 100,000,000,000 shares of HK\$0.006 each. The authorised share capital had no change during the period.

EXCHANGE RATE

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

RAISING OF FUNDS AND USE OF PROCEEDS

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

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

As at 30 June 2023, the net proceeds had been utilised as follows:

Use of net proceeds	Allocation <i>HK\$ million</i>	Unutilised	Utilised	Unutilised	Expected timeline for the application of the unutilised proceeds
		amount as at 31 December 2022 <i>HK\$ million</i>	amount for the six months ended 30 June 2023 <i>HK\$ million</i>	amount as at 30 June 2023 <i>HK\$ million</i>	
Web application development of the virtual asset trading platform	18.0	11.5	–	11.5	By 31 December 2024
Acquisition of equipment and the related installation and technical support services fees	11.0	7.0	–	7.0	By 31 December 2024
Cloud infrastructure and professional network management services fee	8.1	–	–	–	By 31 December 2024
Staff costs and consultancy fees for operational and technical staff and external consultants	8.4	6.6	0.5	6.1	By 31 December 2024
Digital and data securities services fee	2.4	1.2	–	1.2	By 31 December 2024
Working capital in operating the virtual asset trading platform, including but not limited to purchasing digital assets inventories and purchasing insurance	8.3	7.9	–	7.9	By 31 December 2024
Total	56.2	34.2	0.5	33.7	

SIGNIFICANT INVESTMENTS

As at 30 June 2023, total market value for financial assets at FVTPL of the Group was approximately HK\$56.5 million (31 December 2022: HK\$75.0 million). The Board considers that the investments with market value accounting for more than 5% of the Group's total assets as at 30 June 2023 as significant investments.

During the six months ended 30 June 2023, the Group recognised realised gain on financial assets at FVTPL of approximately HK\$Nil (six months ended 30 June 2022: HK\$20,000). During the six months ended 30 June 2023, the Group recognised unrealised loss on financial assets at FVTPL of approximately HK\$20.2 million (six months ended 30 June 2022: HK\$31.1 million).

Details of the top financial assets at FVTPL, in terms of market value as at 30 June 2023 are as follows:

Stock name	Stock code	No. of shares	Proportion to the total issued share capital for the stocks	Market value (HK\$'000)	Proportion to the total assets of the Group	Unrealised fair value loss on the investments (HK\$'000)	Dividends received	Investment strategy
WLS Holding Limited	8021	302,640,000	2.11%	17,250	6.6%	3,632	–	Passive
SEEC Media Group Ltd	205	14,720,000	2.00%	5,962	2.3%	3,901	–	Passive
China Investment and Finance Group Ltd	1226	11,067,760	2.68%	4,538	1.7%	2,324	–	Passive
Milan Station Holdings Ltd	1150	32,850,000	3.73%	3,482	1.3%	3,022	–	Passive
Wealth Glory Holdings Ltd	8269	34,500,000	3.87%	5,279	2.0%	483	–	Passive
Asia Grocery Distribution Limited	8413	8,020,000	0.69%	1,404	0.5%	1,924	–	Passive
China Environmental Energy Investment Ltd	986	59,224,000	4.57%	2,251	0.9%	711	–	Passive
Sub-total				40,166	15.3%	15,997		
Other 19 listed equity securities (Note 2)				16,351	6.5%	4,208	–	Passive
Total				<u>56,517</u>	21.8%	<u>20,205</u>		

Note:

- Total assets as at 30 June 2023: HK\$259,595,000.
- As at 30 June 2023, other listed equity securities comprised 19 listed equity securities and none of them was more than 1.0% of the total assets of the Group. The companies of other listed equity securities are listed in Hong Kong in which they are principally engaged in steel business, the provision of financial services, movie & entertainment business, electronic technology, distribution, properties & construction and retail.

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

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

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

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

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

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

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

SIGNIFICANT ACQUISITIONS OR DISPOSALS

During the six months ended 30 June 2023, there were no material acquisitions or disposals of subsidiaries and associated companies.

EMPLOYEES

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

DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS IN SHARES

As at 30 June 2023, none of the Directors nor chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the Securities and Futures Ordinance (the “SFO”) (i) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (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 (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 of the Listing Rules.

SHARE OPTIONS

On 4 May 2012, a share option scheme (the “**2012 Share Option Scheme**”) was adopted by shareholders at the annual general meeting, under which the Directors may, at their discretion, grant share options to eligible persons including Directors and employees and consultants to subscribe share in the Company. On 23 December 2021, a new share option scheme (the “**2021 Share Option Scheme**”) was adopted and the 2012 Share Option Scheme was terminated by the Shareholders at special general meeting.

The following table discloses the details of the Company’s share options under the 2012 Share Option Scheme and the movements during the six months ended 30 June 2023:

Category	Date of grant	Exercise price per share (HK\$)	Exercise period	Outstanding at 1.1.2023	Grant during the period	Exercise during the period	Cancelled/ lapsed during the period	Outstanding at 30.6.2023
Director								
Chow Hei Yin Terry	8 April 2021	0.1066	8 April 2021 to 7 April 2023	6,304,000	–	–	(6,304,000)	–
Huang Zhi	8 April 2021	0.1066	8 April 2021 to 7 April 2023	6,304,000	–	–	(6,304,000)	–
Employee	8 April 2021	0.1066	8 April 2021 to 7 April 2023	50,432,000	–	–	(50,432,000)	–
				<u>63,040,000</u>	<u>–</u>	<u>–</u>	<u>(63,040,000)</u>	<u>–</u>
Exercisable at the end of the year								<u>–</u>
Weighted average exercise price				<u>HK\$0.1066</u>				<u>N/A</u>

Since the date of adoption of the 2021 Share Option Scheme and up to 30 June 2023, no share option was granted, exercised, outstanding, cancelled or lapsed under the 2021 Share Option Scheme.

Saved as disclosed above, at no time during the six months ended 30 June 2023 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS’ INTERESTS IN SHARES

As at 30 June 2023, the Directors were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares, which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

AUDIT COMMITTEE

The Audit Committee provides an important link between the Board and the Company's auditors in matters coming within the scope of the audit of the Company. The Audit Committee was established in March 2000 with defined written terms of reference which describe the authorities and duties of the Audit Committee. The Audit Committee currently consists of three members, all of whom are independent non-executive Directors namely Mr. Man Yuan, Mr. Ma Kin Ling and Ms. Huang Zhi. The unaudited financial statements of the Group for the six months ended 30 June 2023 have been reviewed by the Audit Committee.

CORPORATE GOVERNANCE

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

Throughout the six months ended 30 June 2023, the Group had applied the principles as set out in the Code of Corporate Governance Practices (the "CG Code") in Appendix 14 of the Listing Rules, except for the deviations as follow:

Attendance of Annual General Meeting

Pursuant to Code Provision C.1.6 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of the shareholders. Due to other pre-arranged business commitments, Mr. Man Yuan and Ms. Huang Zhi, being the independent non-executive Directors, were not able to attend the annual general meeting of the Company held on 23 June 2023.

EVENTS AFTER THE REPORTING PERIOD

There was no significant event after the six months ended 30 June 2023 and up to the date of this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transaction. Based on specific enquiry of all the Directors, the Directors have complied with the required standard as set out in the Model Code throughout the six months ended 30 June 2023.

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

During the six months ended 30 June 2023, there was no purchase, sale or redemption by the Company or any of its subsidiaries of the Company's listed securities.

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

Hong Kong, 30 August 2023

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