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## SunCorp Technologies Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1063)

### ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

The board (the “**Board**”) of directors (the “**Directors**”) of SunCorp Technologies Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2023, together with the comparative figures for the corresponding year ended 31 December 2022, as follows:

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

For the year ended 31 December 2023

	Note	2023 HK\$'000	2022 HK\$'000
<b>Revenue</b>	4	<b>66,288</b>	128,035
Costs of sales		<b>(51,093)</b>	(112,036)
Gross profit		<b>15,195</b>	15,999
Other gains or losses, net	5	<b>29,760</b>	609
Distribution and selling expenses		<b>(3,165)</b>	(3,121)
Operating expenses		<b>(12,958)</b>	(13,196)
Reversal of provision/(provision) for expected credit losses (“ <b>ECL</b> ”) on trade, other and loan receivables, net		<b>18,313</b>	(40,603)
Fair value (losses)/gains on financial assets at fair value through profit or loss (“ <b>FVTPL</b> ”)			
– Unrealised		<b>(6,593)</b>	(21,519)
– Realised		<b>(220)</b>	4,823
<b>Profit/(loss) from operation</b>		<b>40,332</b>	(57,008)
Share of result of an associate		<b>31</b>	(54)
Finance costs	7	<b>(179)</b>	(292)
<b>Profit/(loss) before tax</b>		<b>40,184</b>	(57,354)
Income tax expense	8	<b>(119)</b>	–
<b>Profit/(loss) for the year</b>	9	<b>40,065</b>	(57,354)

	<i>Note</i>	<b>2023</b> <b>HK\$'000</b>	2022 <i>HK\$'000</i>
<b>Other comprehensive income</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		—	(1)
		<u>—</u>	<u>(1)</u>
<b>Profit/(loss) and total comprehensive income for the year</b>		<b>40,065</b>	(57,355)
		<u>40,065</u>	<u>(57,355)</u>
<b>Profit/(loss) for the year attributable to:</b>			
Owners of the Company		40,070	(56,992)
Non-controlling interests		(5)	(362)
		<u>40,065</u>	<u>(57,354)</u>
		<u>40,065</u>	<u>(57,354)</u>
<b>Profit/(loss) and total comprehensive income for the year attributable to:</b>			
Owners of the Company		40,070	(56,993)
Non-controlling interests		(5)	(362)
		<u>40,065</u>	<u>(57,355)</u>
		<u>40,065</u>	<u>(57,355)</u>
<b>Earnings/(loss) per share attributable to owners of the Company (<i>HK cents</i>)</b>			
	<i>11</i>		
– Basic		2.60	(3.74)
		<u>2.60</u>	<u>(3.74)</u>
– Diluted		N/A	N/A
		<u>N/A</u>	<u>N/A</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2023

	Note	2023 HK\$'000	2022 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		–	–
Right-of-use assets		–	169
Investment in an associate		110	79
Deposits		205	205
Deferred tax assets		23	23
		<u>338</u>	<u>476</u>
<b>Current assets</b>			
Inventories		4,260	4,758
Trade and other receivables	12	33,933	68,100
Amount due from a securities broker		3,394	–
Loan receivables	13	115,464	101,153
Financial assets at FVTPL		78,270	74,974
Tax recoverable		–	123
Cash and bank balances		28,366	32,590
		<u>263,687</u>	<u>281,698</u>
<b>Current liabilities</b>			
Trade and other payables	14	18,598	74,726
Lease liabilities	15	752	1,310
Bank loan		1,401	2,177
		<u>20,751</u>	<u>78,213</u>
<b>Net current assets</b>		<u>242,936</u>	<u>203,485</u>
<b>Total assets less current liabilities</b>		<u>243,274</u>	<u>203,961</u>
<b>Non-current liabilities</b>			
Lease liabilities	15	–	752
<b>Net assets</b>		<u>243,274</u>	<u>203,209</u>
<b>Equity</b>			
Capital and reserves attributable to owners of the Company			
Share capital	16	9,231	9,231
Reserves		234,498	194,428
		<u>243,729</u>	<u>203,659</u>
Non-controlling interest		(455)	(450)
<b>Total equity</b>		<u>243,274</u>	<u>203,209</u>

## Notes:

### 1. GENERAL

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

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

### 2. BASIS OF PREPARATION

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

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

### 3. ADOPTION OF NEW AND REVISED HKFRSs

#### (a) Application of new and revised HKFRSs

The Group has applied the following new amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (include the October 2020 and February 2022 amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

Except as described in notes 3(c) and (d), the application of the new amendments to HKFRSs in the current year has had no material impact on the Group’s consolidated financial positions and performance for the current and prior years and/or on the disclosures set out in this consolidated financial statements.

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

The Group has not early applied any amendments to standards and interpretation that have been issued but are not yet effective for the financial year beginning 1 January 2023. The amendments to standards and interpretation include the following which may be relevant to the Group.

	<b>Effective for accounting periods beginning on or after</b>
Amendments to HKAS 1 – Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to HKAS 1 – Non-current Liabilities with Covenants	1 January 2024
Amendments to HKFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024
Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (“ <b>HK Int 5 (Revised)</b> ”)	1 January 2024
Amendments to HKAS 7 and HKFRS 7 – Supplier Finance Arrangements	1 January 2024
Amendments to HKAS 21 – Lack of Exchangeability	1 January 2025
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The directors of the Company anticipate that the application of the above amendments to HKFRSs will not have material impact on the consolidated financial statements in the foreseeable future.

(c) **New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism**

In June 2022, the Hong Kong SAR Government (the “**Government**”) gazetted the Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “**Amendment Ordinance**”), which will come into effect from 1st May, 2025 (the “**Transition Date**”). Once the Amendment Ordinance takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory contributions to mandatory provident fund (“**MPF**”) scheme to reduce the long service payment (“**LSP**”) in respect of an employee’s service from the Transition Date (the abolition of the “**offsetting mechanism**”). In addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee’s monthly salary immediately before the Transition Date and the years of service up to that date.

In July 2023, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” that provides accounting guidance relating to the offsetting mechanism and the abolition of the mechanism. In particular, the guidance indicates that entities may account for the accrued benefits derived from mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed contributions by that employee towards the LSP.

Applying this approach, upon the enactment of the Amendment Ordinance in June 2022, it is no longer permissible to apply the practical expedient in paragraph 93(b) of HKAS 19 that previously allowed such deemed contributions to be recognised as reduction of service cost (negative service cost) in the period the contributions were made. Instead, these deemed contributions should be attributed to periods of service in the same manner as the gross LSP benefit. The Amendment Ordinance has no material impact on the Group’s LSP liability and staff cost.

(d) **Impact on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies”**

The Group has adopted Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies” for the first time in the current year. HKAS 1 “Presentation of Financial Statements” is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 “Making Materiality Judgements” (the “**Practice Statement**”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments has had no material impact on the Group’s financial positions and performance but has affected the disclosure of the Group’s accounting policies set out in Note 4 to the consolidated financial statements.

#### 4. REVENUE

##### Disaggregation of revenue

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

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<b>Revenue from contracts with customers within the scope of HKFRS 15:</b>		
Disaggregated by major products or service lines		
– Processing and trading of used computer-related components	18,488	46,148
– Commission from securities dealing and brokerage services	194	355
– Commission from placing and underwriting service	782	2,104
– Sales of clothes and beauty product	34,379	68,188
	<u>53,843</u>	<u>116,795</u>
<b>Revenue from other sources:</b>		
Interest income from money lending services	12,235	10,973
Interest and related income from securities	210	267
	<u>12,445</u>	<u>11,240</u>
Total revenue	<u><u>66,288</u></u>	<u><u>128,035</u></u>

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

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<b>Timing of revenue recognition:</b>		
At a point in time	<u>53,843</u>	<u>116,795</u>
<b>Geographical market:</b>		
People's Republic of China ("PRC") (including Hong Kong)	38,798	73,107
India	388	705
Indonesia	12,433	36,921
United States of America ("USA")	1,102	6,033
Others	1,122	29
	<u>53,843</u>	<u>116,795</u>

## 5. OTHER GAINS OR LOSSES, NET

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Bank interest income	14	1
Sundry income	378	307
Government grant ( <i>note</i> )	–	304
Exchange difference, net	2	(3)
Gain on termination of lease	2	–
Gain on disposal of subsidiaries	29,253	–
Written back of other payables	111	–
	<u>29,760</u>	<u>609</u>

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

## 6. SEGMENT INFORMATION

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

The Group has five operating segments as follows:

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

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

## Information about operating segment profit or loss, assets and liabilities

	Telephones and related components <i>HK\$'000</i>	Used computer -related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	Sales of clothes and beauty product <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>For the year ended 31 December 2023</b>						
Revenue	-	18,488	12,235	1,186	34,379	66,288
Segment (loss)/profit	-	(137)	26,941	(3,732)	409	23,481
Fair value losses on financial assets at FVTPL:						
- Unrealised						(6,593)
- Realised						(220)
Unallocated expenses						(5,733)
Unallocated income						29,397
Share of result of associate						31
Finance costs						(179)
Profit before tax						40,184
<b>As at 31 December 2023</b>						
Segment assets	-	9,352	117,887	21,604	17,781	166,624
Unallocated assets						97,401
						264,025
Segment liabilities	-	2,050	7,554	6,892	786	17,282
Unallocated liabilities						3,469
						20,751

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

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

## Other segment information

### For the year ended 31 December 2023

	Telephones and related components <i>HK\$'000</i>	Used computer- related components <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Provision of brokerage, placing and underwriting services <i>HK\$'000</i>	Sales of clothes and beauty product <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
<i>Amounts included in the measure of segment profit or loss:</i>							
Depreciation of right-of-use assets	-	113	-	-	-	-	113
Fair value losses on financial assets at FVTPL:							
- Unrealised	-	-	-	-	-	(6,593)	(6,593)
- Realised	-	-	-	-	-	(220)	(220)
Provision/(reversal of provision) for ECL on:							
- Loan receivables	-	-	(17,583)	-	-	-	(17,583)
- Trade receivables	-	907	-	(92)	(533)	-	282
- Other receivables	-	(824)	(124)	-	(43)	(21)	(1,012)
Interest expense	-	-	-	-	-	179	179

### For the year ended 31 December 2022

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

## Geographical information

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

	Revenue from external customers		Non-current assets	
	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
PRC (including Hong Kong)	51,243	84,347	–	169
India	388	705	–	–
Indonesia	12,433	36,921	–	–
USA	1,102	6,033	–	–
Others	1,122	29	–	–
	<u>66,288</u>	<u>128,035</u>	<u>–</u>	<u>169</u>

*Note:* Non-current assets excluded investment in an associate, financial instruments and deferred tax assets.

## Revenue from major customers

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

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Customer A ( <i>note 1</i> )	14,978	24,360
Customer B ( <i>note 1</i> )	19,401	43,828
Customer C ( <i>note 2</i> )	7,665	19,898

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

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

## 7. FINANCE COSTS

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Interest on lease liabilities	72	137
Interest on bank loan	107	155
	<u>179</u>	<u>292</u>

## 8. INCOME TAX EXPENSE

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Current tax – Hong Kong Profits Tax		
Under-provision in prior years	<u>119</u>	<u>–</u>

For the years ended 31 December 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 year's assessable profits.

For the years ended 31 December 2023 and 2022, under the two-tiered profits tax regime, profits tax rate for the first HK\$2 million of assessable profits of qualifying corporations established in Hong Kong will be lowered to 8.25%, and profits above that amount will be subject to the tax rate of 16.5%.

No provision for PRC Enterprise Income Tax has been made for the years ended 31 December 2023 and 2022 as the Group's PRC subsidiary did not generate any assessable profits during the years.

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

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Profit/(loss) before tax	<u>40,184</u>	<u>(57,354)</u>
Tax at the domestic income tax rate of 16.5% (2022: 16.5%)	6,631	(9,464)
Tax effect of expenses not deductible for tax purpose	169	367
Tax effect of income not taxable for tax purpose	(4,834)	(796)
Tax effect of tax losses not recognised	919	25,290
Tax effect of temporary difference not recognised	(1,471)	(14,497)
Tax effect of utilisation of tax losses not previously recognised	(1,414)	(882)
Tax effect of two-tiered tax regime	–	(9)
Tax concession	–	(9)
Under-provision in prior years	<u>119</u>	<u>–</u>
Income tax expense	<u>119</u>	<u>–</u>

## 9. PROFIT/(LOSS) FOR THE YEAR

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

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Auditors' remuneration	680	630
Cost of goods sold and services recognised as an expense	51,093	112,036
Depreciation of right-of-use assets	113	226
Provision/(reversal of provision) for ECL on:		
– Trade receivables	282	292
– Other receivables	(1,012)	2,171
– Loan receivables	(17,583)	38,140
Expenses related to short term lease	146	60
Gain on termination of lease	(2)	–
Gain on disposal of subsidiaries	(29,253)	–
Exchange difference, net	(2)	3
	<u>                    </u>	<u>                    </u>

## 10. DIVIDENDS

No dividend was paid or proposed during the year ended 31 December 2023, nor has any dividend been proposed since the end of the reporting period (2022: Nil).

## 11. EARNINGS/(LOSS) PER SHARE

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

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<b>Earnings/(loss)</b>		
Earnings/(loss) for the year attributable to owners of the Company for the purpose of basic earnings/(loss) per share	<u>40,070</u>	<u>(56,992)</u>
	2023 <i>'000</i>	2022 <i>'000</i>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	<u>1,538,537</u>	<u>1,524,045</u>

No diluted earnings/(loss) per share is presented for the years ended 31 December 2023 and 2022, as there were no potential ordinary shares in issue for 2023. Additionally, as the outstanding share options did not have any dilutive effect and was not included in the calculation of diluted loss per share for 2022.

## 12. TRADE AND OTHER RECEIVABLES

	<i>Note</i>	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade receivables arising from the ordinary course of business of dealing in securities transactions:			
– Cash clients	<i>(a)</i>	<b>317</b>	8,407
Less: Allowance for ECL		<u>–</u>	<u>(93)</u>
		<b>317</b>	8,314
Trade receivables arising from other ordinary course of business, other than business of dealing in securities transactions	<i>(b)</i>	<b>17,938</b>	44,776
Less: Allowance for ECL		<u>(1,187)</u>	<u>(812)</u>
		<b>16,751</b>	43,964
Sub-total of trade receivables		<u><b>17,068</b></u>	<u>52,278</u>
Deposits, prepayments and other receivables	<i>(c)</i>	<b>17,103</b>	18,197
Less: Allowance for ECL		<u>(238)</u>	<u>(2,375)</u>
		<b>16,865</b>	15,822
Total trade and other receivables		<u><b>33,933</b></u>	<u>68,100</u>

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

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

The normal settlement terms of trade receivables from clients and clearing house arising from the ordinary course of business of securities brokerage services are 2 trading days (2022: 2 trading days) after the trade date.

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

	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0-30 days	<b>3</b>	77
31-60 days	<b>4</b>	1,602
61-90 days	<b>5</b>	317
Over 90 days	<u><b>305</b></u>	<u>6,318</u>
	<u><b>317</b></u>	<u>8,314</u>

Trade receivables due from cash clients are secured by clients' securities, which are publicly traded equity securities listed in Hong Kong. The fair values of the securities as at 31 December 2023 were approximately HK\$30,139,000 (2022: were approximately HK\$123,389,000). As at 31 December 2023 and 2022, all balances were secured by sufficient collateral on an individual basis.

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

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

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

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

The Group allows a credit period from 30 to 90 days (2022: 30 to 90 days) to its customers. The ageing analysis of trade receivables arising from other course of business other than business of dealing in securities transactions, based on invoice date, and net of allowance, is as follows:

	<b>2023</b>	2022
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
0 – 30 days	<b>2,595</b>	5,798
31 – 60 days	<b>758</b>	5,160
61 – 90 days	–	8,023
Over 90 days	<b>13,398</b>	24,983
	<u><b>16,751</b></u>	<u>43,964</u>

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

Details of impairment assessment of trade receivables for the years ended 31 December 2023 and 2022 are set out in note 6(c) to the consolidated financial statements.

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

**(c) Deposit and other receivables**

Amount due from a subsidiary's director of approximately HK\$3,517,000 (net of allowance of HK\$194,000) (2022: HK\$3,170,000 (net of allowance of HK\$1,006,000)) was included in the deposits and other receivables. The amount due is unsecured, interest-free and repayable on demand.

### 13. LOAN RECEIVABLES

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

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0 – 90 days	52,521	17,434
91 – 180 days	37,429	38,512
181 – 365 days	65,243	102,519
	<hr/>	<hr/>
	155,193	158,465
Less: Allowance for ECL	(39,729)	(57,312)
	<hr/>	<hr/>
	<u>115,464</u>	<u>101,153</u>

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

The loan receivables are repayable in accordance with the terms of the loan agreements and all loan receivables are recoverable within 1 year (2022: 1 year).

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

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

### 14. TRADE AND OTHER PAYABLES

	<i>Note</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade payables arising from the ordinary course of business of dealing in securities transactions:			
– Cash clients	<i>(a)</i>	6,378	5,397
Trade payables from purchase of goods arising from other ordinary course of business, other than business of dealing in securities transactions	<i>(b)</i>	596	55,701
Other payables and accrued expenses		11,424	13,428
Provision for reinstatement cost		200	200
		<hr/>	<hr/>
		<u>18,598</u>	<u>74,726</u>

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

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

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

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

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

	<b>2023</b> <b>HK\$'000</b>	2022 <i>HK\$'000</i>
0 – 30 days	<b>290</b>	7,578
31 – 60 days	<b>306</b>	4,572
61 – 90 days	–	8,118
Over 90 days	–	35,433
	<hr/> <b>596</b> <hr/>	<hr/> 55,701 <hr/>

The credit period on purchase of goods ranges from 30 to 60 days (2022: 30 to 60 days).

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

**15. LEASE LIABILITIES**

	<b>Minimum lease payments</b>		<b>Present value of minimum lease payments</b>	
	<b>2023</b> <b>HK\$'000</b>	2022 <i>HK\$'000</i>	<b>2023</b> <b>HK\$'000</b>	2022 <i>HK\$'000</i>
Within one year	<b>767</b>	1,382	<b>752</b>	1,310
In the second to fifth years, inclusive	–	767	–	752
	<hr/> <b>767</b> <hr/>	<hr/> 2,149 <hr/>	<hr/> <b>752</b> <hr/>	<hr/> 2,062 <hr/>
Less: Future finance charges	<b>(15)</b>	(87)	N/A	N/A
	<hr/> <b>752</b> <hr/>	<hr/> 2,062 <hr/>	<hr/> <b>752</b> <hr/>	<hr/> 2,062 <hr/>
Present value of lease obligations	<hr/> <b>752</b> <hr/>	<hr/> 2,062 <hr/>	<hr/> <b>752</b> <hr/>	<hr/> 2,062 <hr/>
Less: Amount due for settlement within 12 months (shown under current liabilities)			<hr/> <b>(752)</b> <hr/>	<hr/> (1,310) <hr/>
Amount due for settlement after 12 months			<hr/> – <hr/>	<hr/> 752 <hr/>

All lease liabilities are denominated in HK\$.

The incremental borrowing rates applied to lease liabilities is 5% (2022: 5%).

## 16. SHARE CAPITAL

	2023		2022	
	Number of ordinary shares '000	Amount HK\$'000	Number of ordinary shares '000	Amount HK\$'000
At 1 January and 31 December, ordinary share of HK\$0.006	<b>100,000,000</b>	<b>600,000</b>	100,000,000	600,000
<b>Issued and fully paid:</b>				
At 1 January, ordinary share of HK\$0.006	<b>1,538,537</b>	<b>9,231</b>	1,492,937	8,958
Issue of shares upon exercise of share options ( <i>note</i> )	–	–	45,600	273
At 31 December, ordinary share of HK\$0.006	<b>1,538,537</b>	<b>9,231</b>	1,538,537	9,231

*notes:*

During the year ended 31 December 2022, 45,600,000 options were exercised at the exercise price of HK\$0.078 per share, resulting in the issuance of 45,600,000 new shares of HK\$0.006 each. Proceeds from exercising the share options amounted to approximately HK\$3,556,000.

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

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

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

During the years ended 31 December 2023 and 2022, the Group complied with the above liquid capital requirements.

The Group receives a report from the share registrars monthly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit throughout the years ended 31 December 2023 and 2022.

Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowing for the years ended 31 December 2023 and 2022.

## **DIRECTOR'S STATEMENT**

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of SunCorp Technologies Limited (the “**Company**”), I present to you the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2023.

## **BUSINESS REVIEW**

During the year ended 31 December 2023, the Group mainly engaged in (i) the processing and trading of used computer-related components business; (ii) the money lending business; (iii) the securities brokerage, placing and underwriting business; and (iv) the clothes and beauty products business.

For the year ended 31 December 2023, the Group's revenue amounted to approximately HK\$66.3 million, representing a decrease of approximately 48.2% as compared with the revenue of approximately HK\$128.0 million in 2022. In relation to the Group's revenue, approximately 27.9% results from the processing and trading of used computer-related components, approximately 18.5% resulted from interest income earned from money lending business, approximately 1.8% contributed from securities brokerage, placing and underwriting business and approximately 51.9% contributed by clothes and beauty products business.

Gross profit from operation for the year ended 31 December 2023 was approximately HK\$15.2 million, representing a decrease of approximately 5.0% as compared with the gross profit of approximately HK\$16.0 million in 2022. The Group's net profit for the year was approximately HK\$40.0 million, which was mainly due to the reversal of provision for expected credit loss (“**ECL**”) on trade, other and loan receivables of approximately HK\$18.3 million recognised during 2023 and the gain on the disposal of subsidiaries of approximately HK\$29.3 million.

For the year ended 31 December 2023, interest income earned from money lending business was approximately HK\$12.2 million.

## OUTLOOK AND PROSPECT

In view of the highly unpredictable business environment, we are evaluating different business segments within the Group and reposition our strategy and business operation in more optimistic business segments.

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

## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW

For the year ended 31 December 2023, the Group recorded a revenue of approximately HK\$66.3 million which represented a decrease of approximately 48.2% as compared to the corresponding figure for the year ended 31 December 2022.

The gross profit for the year ended 31 December 2023 was approximately HK\$15.2 million as compared to approximately HK\$16.0 million for the year ended 31 December 2022.

During the year, the clothes and beauty products business continued to contribute a significant percentage to our revenue. We continue to be optimistic at this business segment and will capture more market opportunities as and when appropriate. On the other hand, the sales and marketing of electronic equipment and related products was still an important source of income of the Group. In addition, the financial arm of the Group comprising of securities brokerage, placing and underwriting business and money lending business also contributed to the revenue of the Group during the year. The revenue and net loss or profit for each business segment for the year ended 31 December 2023 are set out as below:

	Used computer- related components <i>HK\$'000</i>	Provision of securities brokerage, placing and underwriting services <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Sales of clothes and beauty products <i>HK\$'000</i>
Revenue	18,488	1,186	12,235	34,379
Net (loss)/profit	(137)	(3,732)	26,941	409

## LIQUIDITY AND FINANCIAL RESOURCES

	2023	2022
Current ratio	12.7	3.60
Gearing ratio (defined as the total borrowings divided by total equity)	0.006	0.011

As at 31 December 2023, the Group had cash and bank balances of approximately HK\$28.4 million, net current assets of approximately HK\$242.9 million, total assets of approximately HK\$264.0 million and shareholders' equity of approximately HK\$243.3 million.

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

## MONEY LENDING BUSINESS

For the year ended 31 December 2023, the amount of the total outstanding loan receivables is approximately HK\$115.5 million with 8-10% interest rate and all loan receivables are recoverable within 1 year.

During the year ended 31 December 2023, the amounts for the largest borrower and the five largest borrowers in aggregate are approximately HK\$11.6 million and HK\$52.1 million, respectively, accounted for approximately 10.0% and 45.1% of the total loan receivables of the Company.

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

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

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

In addition, the Group funds the money lending transaction through our internal resources. As at 31 December 2023, the loan receivables of approximately HK\$115.5 million will mature on or before 31 December 2023 and loan receivables were neither secured by collaterals or any guarantee as at 31 December 2023. As at 31 December 2023, the maturity profile of the loan receivables of approximately HK\$115.5 million were within twelve months from the end of the reporting period. The Company has complied with requirements set out in chapter 14 and/or 14A of the Listing Rules when it granted the loans to each of the borrower(s), whose loan(s) was still outstanding as at 31 December 2023. The Company has not had an agreement, arrangement, understanding or undertaking (whether formal or informal and whether express or implied) with a connected person with respect to the grant of loans to the borrower(s) whose loan(s) was still outstanding as at 31 December 2023.

### **Risk management policies**

The Group has developed a credit policy and procedures manual for its money lending business. The credit policy and procedures manual specifies, among others, the loan application, credit approval and monitoring ongoing credit risk procedures. Prior to grant of a loan to a borrower, the Group carries out credit risk assessment on the borrower, taking into account, among other things, the background and character of the borrowers, shareholders' background, character, and management capability (if any), purpose of the loan, value of collateral and guarantee (if any), where applicable, relevant public searches and the financial strength of the borrower, shareholder and guarantor.

## **CAPITAL STRUCTURE**

### **Authorised share capital**

As at 31 December 2023, the authorised share capital of the Company was HK\$600,000,000 divided into 100,000,000,000 shares of HK\$0.006 each. The authorised share capital had no change during the year ended 31 December 2023.

### **Issued share capital**

As at 31 December 2023, the issued share capital of the Company was HK\$9,231,219 divided into 1,538,536,566 shares of HK\$0.006 each.

## **EXCHANGE RATE**

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

## RAISING OF FUNDS AND USE OF PROCEEDS

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

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

As at 31 December 2023, the net proceeds had been utilised as follows:

Use of net proceeds	Allocation <i>HK\$ million</i>	Unutilised amount as at 31 December 2022 <i>HK\$ million</i>	Utilised	Unutilised	Expected timeline for the application of the unutilised proceeds
			amount for the year ended 31 December 2023 <i>HK\$ million</i>	amount as at 31 December 2023 <i>HK\$ million</i>	
Web application development of the virtual asset trading platform	18.0	11.5	6.1	5.4	By 31 December 2024
Acquisition of equipment and the related installation and technical support services fees	11.0	7.0	3.2	3.8	By 31 December 2024
Cloud infrastructure and professional network management services fee	8.1	–	–	–	–
Staff costs and consultancy fees for operational and technical staff and external consultants	8.4	6.6	4.6	2	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	<u>56.2</u>	<u>34.2</u>	<u>13.9</u>	<u>20.3</u>	

## SIGNIFICANT INVESTMENTS

As at 31 December 2023, total market value for the financial assets at fair value through profit or loss (“FVTPL”) of the Group was approximately HK\$78.3 million (2022: approximately 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 31 December 2023 as significant investments.

For the year ended 31 December 2023, the Group recognised unrealised loss on financial assets at FVTPL of approximately HK\$6.6 million (2022: unrealised losses of approximately HK\$21.5 million). For the year ended 31 December 2023, the Group recognised realised losses on financial assets at FVTPL of approximately HK\$0.2 million (2022: realised gain of approximately HK\$4.8 million).

Details of the financial assets at FVTPL, in terms of market value as at 31 December 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)/gain on the investments (HK\$'000)	Dividends received	Investment strategy
WLS Holding Limited	8021	302,640,000	2.11%	11,198	4.24%	(9,684)	–	Passive
SEEC Media Group Ltd	205	14,720,000	2.00%	5,888	2.23%	(3,974)	–	Passive
China Investment and Finance Group Ltd	1226	16,597,760	4.02%	17,759	6.73%	9,064	–	Passive
Milan Station Holdings Ltd	1150	32,850,000	3.73%	6,504	2.46%	–	–	Passive
Wealth Glory Holdings Ltd	8269	35,620,000	4.00%	5,343	2.02%	(564)	–	Passive
Asia Grocery Distribution Limited	8413	8,020,000	0.69%	834	0.32%	(2,494)	–	Passive
China Environmental Energy Investment Ltd	986	59,224,000	4.57%	2,014	0.76%	(948)	–	Passive
Sub-total				49,540	19.90%	(8,600)		
Other 19 listed equity securities (Note 2)				28,720	6.67%	2,007	–	Passive
Total				<u>78,270</u>	<u>26.57%</u>	<u>(6,593)</u>		

### Note:

- Total assets as at 31 December 2023: HK\$264,025,000.
- As at 31 December 2023, other listed equity securities comprised 21 listed equity securities and none of them was more than 3.0% 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 the Stock Exchange in which it and its subsidiaries principally engaged in retailing of handbags, fashion accessories, embellishments and spa and wellness products.

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

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

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

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

## **DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES**

As at 31 December 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 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 C3 of the Listing Rules.

## **SHARE OPTIONS**

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

During the year ended 31 December 2023, 63,040,000 options were lapsed under the 2012 Share Option Scheme. As at 31 December 2023, there were no options outstanding under the 2012 Share Option Scheme.

The number of options available for grant under the scheme mandate of the Share Option Scheme at the beginning and the end of the year ended 31 December 2023 were 149,293,656 Shares and 149,293,656 Shares respectively.

The number of shares that may be issued in respect of options and awards granted under the Share Option Scheme of the Company during the year ended 31 December 2023 divided by the weighted average number of Shares in issue for the year ended 31 December 2023 was approximately 4.1%.

Since the date of adoption of the 2021 Share Option Scheme and up to 31 December 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 year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## **SUBSTANTIAL SHAREHOLDERS’ INTERESTS IN SHARES**

As at 31 December 2023, the Directors were not aware of any persons or entities (other than the Directors and the chief executive of the Company) who/which had or were deemed or taken to have interests or short positions in the shares or underlying shares, which were required to be recorded in the register of substantial shareholders under section 336 of the SFO.

## **DIRECTORS’ INTERESTS IN CONTRACTS OF SIGNIFICANCE**

No contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year ended 31 December 2023.

## **SIGNIFICANT ACQUISITIONS OR DISPOSALS**

During the year ended 31 December 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.

## **DIVIDENDS**

The Board does not recommend the payment of final dividend for the year ended 31 December 2023 (2022: Nil).

## **AUDIT COMMITTEE**

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

The results announcement of the Company for the year ended 31 December 2023 has been reviewed by Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure have been made.

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

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2023 as set out in the preliminary announcement have been agreed by the Group's auditors, McMillan Woods (Hong Kong) CPA Limited, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by McMillan Woods (Hong Kong) CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by McMillan Woods (Hong Kong) CPA Limited on the preliminary announcement.

## **CORPORATE GOVERNANCE**

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

The Group has applied the principles of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules; and unless otherwise stated, which in the opinion of the Board, are not appropriate to follow.

The Company conducts periodic review on its corporate governance practices to ensure that the Company can meet the requirements of the CG Code on an on-going basis. Throughout the year ended 31 December 2023, the Group had complied with the CG Code.

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 present at the annual general meeting of the Company held on 23 June 2023.

#### **EVENTS AFTER THE REPORTING PERIOD**

There were no significant events after the year ended 31 December 2023 and up to the date of this announcement.

#### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code as its own code of conduct regarding directors' securities transaction. Based on specific enquiry of all the Directors, the Directors have complied with the required standard as set out in the Model Code throughout the year ended 31 December 2023.

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

During the year ended 31 December 2023, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

#### **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This announcement is published on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.suncorpotech.com.hk](http://www.suncorpotech.com.hk). The annual report of the Company for the year ended 31 December 2023 will be despatched to the Shareholders and published on the aforesaid websites in due course.

#### **ACKNOWLEDGEMENT**

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

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

Hong Kong, 28 March 2024

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