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Core Economy Investment Group Limited

核心經濟投資集團有限公司

(Continued into Bermuda with limited liability)

(Stock Code: 339)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

The board (the “Board”) of directors (the “Directors”, and each, a “Director”) of Core Economy Investment Group Limited (the “Company”, together with its subsidiaries, the “Group”) is pleased to announce that the audited consolidated results of the Group for the year ended 31 December 2020, together with the comparative figures for the corresponding year 2019 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 31 December 2020

	Notes	2020 HK\$	2019 HK\$
Revenue	4	618,883	195,319
Net change in fair value of financial assets at fair value through profit or loss	5	1,352,553	174,082
Administrative and other operating expenses		(10,944,097)	(11,408,646)
Finance costs	6	(117,843)	(142,830)
Loss before income tax expense	7	(9,090,504)	(11,182,075)
Income tax expense	8	–	–
Loss for the year attributable to owners of the Company		(9,090,504)	(11,182,075)
Other comprehensive income for the year, net of tax:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		1,774	(1,069)
Total comprehensive income for the year attributable to owners of the Company		(9,088,730)	(11,183,144)
Loss per share			
– Basic and diluted	10	(0.049)	(0.069)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	2020 <i>HK\$</i>	2019 <i>HK\$</i>
Non-current assets		
Property, plant and equipment	600,722	118,180
Right-of-use asset	405,629	3,650,662
Refundable rental deposit	403,129	1,112,904
	<u>1,409,480</u>	<u>4,881,746</u>
Current assets		
Financial assets at fair value through profit or loss	20,722,381	5,918,323
Prepayments, deposits and other receivables	1,695,480	423,241
Cash and cash equivalents	3,904,660	23,308,357
	<u>26,322,521</u>	<u>29,649,921</u>
Current liabilities		
Accruals and other payables	472,459	464,300
Lease liability	277,602	3,283,098
	<u>750,061</u>	<u>3,747,398</u>
Net current assets	<u>25,572,460</u>	<u>25,902,523</u>
Total assets less current liabilities	<u>26,981,940</u>	<u>30,784,269</u>
Non-current liabilities		
Lease liability	–	277,602
NET ASSETS	<u>26,981,940</u>	<u>30,506,667</u>
Equity attributable to owners of the Company		
Share capital	4,008,000	3,340,000
Reserves	22,973,940	27,166,667
TOTAL EQUITY	<u>26,981,940</u>	<u>30,506,667</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

1. CORPORATE INFORMATION

The Company was continued into Bermuda as an exempted company with limited liability under the Bermuda Companies Act 1981. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda. The address of its principal place of business is Room 1805, 18th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Chapter 21 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The Company acts as an investment holding company and its principal activities are investment and trading of listed and unlisted securities.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKAS") and Interpretations (hereinafter collectively referred to as the "HKFRS") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). In addition, the consolidated financial statements also comply with the applicable disclosure requirements of the Listing Rules.

The consolidated financial statements have been prepared under the historical cost basis, except for financial assets at fair value through profit or loss ("FVTPL"), which has been measured at fair value.

These consolidated financial statements are presented in Hong Kong Dollars.

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 these consolidated financial statements.

3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS

(a) Application of new or amended HKFRSs

The HKICPA has issued a number of new or amended HKFRSs that are first effective for the current accounting period of the Group:

Amendments to HKFRS 3	Definition of a Business
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 7, HKFRS 9 and HKAS 39	Interest Rate Benchmark Reform
Conceptual Framework for Financial Reporting 2018	

None of these developments have a material effect on the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(b) New or amended HKFRSs that have been issued but are not yet effective

The following new or amended HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ³
Amendments to HKFRS 16	COVID-19 Related Rent Concession ⁵
Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before Intended Use ²
HKFRS 17	Insurance Contracts ³
Amendments to HKFRS 3	Reference to the Conceptual Framework ⁴
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁶
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ²
Amendments to HKFRS 4, HKFRS 7, HKFRS 9, HKFRS 16 and HKAS 39	Interest Rate Benchmark Reform ¹
Annual Improvements to HKFRSs 2018-2020 Cycle	Amendments to HKFRS 1, HKFRS 9 and HKAS 41 and Illustrative Examples accompanying HKFRS 16 ²

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

² Effective for annual periods beginning on or after 1 January 2022.

³ Effective for annual periods beginning on or after 1 January 2023.

⁴ Effective for the date of acquisition in on or after the beginning of the first annual period beginning on or after 1 January 2022.

⁵ Effective for annual periods beginning on or after 1 June 2020.

⁶ The amendments shall be applied prospectively occurring in annual periods beginning on or after the date of determined.

The Group is in the process of making an assessment of what the impact of these amendments and new or revised HKFRSs is expected to be in the period of initial application. The Group did not aware any aspect of the new standards which are likely to have significant impact on the consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

	2020 <i>HK\$</i>	2019 <i>HK\$</i>
Dividend income from listed equity investments	617,863	165,337
Bank interest income	97	22,634
Other interest income	923	7,348
	<hr/>	<hr/>
Revenue	<u>618,883</u>	<u>195,319</u>
Proceeds from disposals of financial assets at FVTPL	<u>40,317,031</u>	<u>263,084</u>

No segment information is presented as all of the revenue and contribution to operating results, assets and liabilities of the Group are attributable to investment activities which are carried out or originated principally in Hong Kong.

5. NET CHANGE IN FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2020 <i>HK\$</i>	2019 <i>HK\$</i>
Net realised gains on disposals of financial assets at FVTPL	2,641,984	1,242
Net unrealised (losses)/gains on financial assets at FVTPL	(1,289,431)	172,840
	<hr/>	<hr/>
	<u>1,352,553</u>	<u>174,082</u>

6. FINANCE COSTS

	2020 <i>HK\$</i>	2019 <i>HK\$</i>
Interest expense on lease liability	55,614	142,830
Interest expense on other borrowings	62,229	–
	<hr/>	<hr/>
	<u>117,843</u>	<u>142,830</u>

7. LOSS BEFORE INCOME TAX EXPENSE

The Group's loss before income tax expense is stated after charging the following:

	2020 <i>HK\$</i>	2019 <i>HK\$</i>
Auditor's remuneration	220,000	232,000
Depreciation of property, plant and equipment	238,657	117,554
Depreciation of right-of-use asset	3,245,033	3,245,033
Employee benefits expense including directors' emoluments:		
Basic salaries, fees and allowances	4,752,000	4,443,784
Discretionary bonus	138,000	910,000
Retirement benefit scheme contributions	90,000	75,581
	4,980,000	5,429,365
Investment management fee (<i>note 9</i>)	261,290	720,000
	<u>261,290</u>	<u>720,000</u>

8. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit for the year (2019: Nil).

Tax charges on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

9. CONTINUING CONNECTED TRANSACTIONS

The Company entered into an investment management agreement with China Everbright Securities (HK) Limited ("CES"), for the provision of investment management services to the Company for a period of two years from 12 May 2016. On 11 May 2018, the Company entered into a new investment management agreement with CES to extend the terms for a further period of two years from 12 May 2018 to 11 May 2020 with the monthly fee and payment term remain unchanged. During the year ended 31 December 2020, the investment management fee of HK\$261,290 (2019: HK\$720,000) was paid by the Company to CES. After the expiration of agreement on 11 May 2020, the management does not appoint a new investment manager.

Rule 14A.08 of the Listing Rules provides that where a listed company is an investment company listed under Chapter 21 of the Listing Rules, its connected persons also include an investment manager. Accordingly, the provision of investment management services by CES to the Company under the above-mentioned investment management agreements constitutes continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

10. LOSS PER SHARE

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the year attributable to owners of the Company of HK\$9,090,504 (2019: HK\$11,182,075) and the weighted average number of 187,076,502 (2019: 162,810,958) ordinary shares in issue during the year.

Diluted loss per share for the years ended 31 December 2020 and 2019 is the same as the basic loss per share as the Company had no potential ordinary shares during the years ended 31 December 2020 and 2019.

11. NET ASSET VALUE PER SHARE

The net asset value per share is HK\$0.13 as at 31 December 2020 (2019: HK\$0.18). The calculation of the net asset value per share is based on the net assets of the Group as at 31 December 2020 of HK\$26,981,940 (2019: HK\$30,506,667) and the number of ordinary shares of 200,400,000 (2019: 167,000,000) in issue as at that date.

12. IMPACTS OF COVID-19 PANDEMIC

Since January 2020, the outbreak of Novel Coronavirus (“COVID-19”) has dealt a big blow on the global business environment. In preparing the consolidated financial statements, the Group applies fair value approach to measure its financial assets at FVTPL. In 2020, fair value of the Group’s financial assets at FVTPL has been suffering from fluctuations due to the COVID-19 outbreak. The impact will largely depend on duration of the outbreak.

In view of the development and spread of COVID-19 subsequent to the date of this announcement, further changes in economic conditions arising thereof may have negative impact on the financial results of the Group, the extent of which could not be estimated as at the date of this announcement. The Group will keep monitoring to the situation of the COVID-19 and react actively to its impact on the financial position and operating results of the Group.

13. EVENTS AFTER THE REPORTING PERIOD

The Company and CNI Securities Group Limited (the “Placing Agent”) entered into a placing agreement on 12 January 2021, pursuant to which the Placing Agent agreed, on a best effort basis, to procure a placing to not less than six placees to subscribe for up to 40,080,000 new ordinary shares (the “Placing Shares”) at a price of HK\$0.188 each. The Placing Shares rank pari passu in all respect among themselves and with the existing shares of the Company.

The placing was completed and 40,080,000 Placing Shares were issued and allotted to not less than six placees on 2 February 2021. To the best knowledge, information and belief of the Company having made such reasonable enquiry and as informed by the Placing Agent, each of the placees and their respective ultimate beneficial owners are independent third parties and not connected with the Company and its connected persons as at the date of completion. The placees are professional investors and none of them has become a substantial shareholder of the Company immediately after completion.

MANAGEMENT DISCUSSION AND ANALYSIS

Results and Appropriations

During the year, the Group recorded a revenue of approximately HK\$619,000 (2019: Approximately HK\$195,000), proceeds from disposals of listed equity securities of approximately HK\$40,317,000 (2019: Approximately HK\$263,000), loss attributable to owners of the Company approximately HK\$9,091,000 (2019: Approximately HK\$11,182,000) and basic loss per share of HK\$0.049 (2019: HK\$0.069). The revenue recorded in the year represented the dividend income from its investments in listed equity securities as well as bank and other interest income. The increase in revenue was mainly attributable to increase in dividend income from listed equity securities.

The Group's administrative and other operating expenses amounted to approximately HK\$10,944,000 (2019: Approximately HK\$11,409,000). The Group recorded a gain on net change in fair value of financial assets at FVTPL for the year of approximately HK\$1,353,000 as compared with the gain of approximately HK\$174,000 of previous year. The decrease in loss for the year attributable to owners of the Company was mainly driven by increase in gain from change in fair value of financial assets, increase in dividend income and decrease in administrative and other operating expenses.

Business Review

Last year the pandemic crisis triggered significant selloff in stock market. Challenges to the movement of goods and people have severely disrupted industrial and commercial activity and led to major shifts in patterns of consumer demand. Thanks to global government economic stimulus package, the stock market performance is better than expected. People take this as one-time event, global economy will gradually walk out from the impact of COVID-19 with the launch of vaccines. Nonetheless, we still need to monitor the market carefully when making investment decision. We will continue to diversify the investment portfolio and create value for shareholders of the Company.

The Group's portfolio of listed securities as at 31 December 2020 consisted of Alibaba Group Holding Limited, Tencent Holdings Limited, CK Hutchison Holdings Limited, PetroChina Company Limited – A Shares, China Petroleum & Chemical Corporation – A Shares, Alibaba Group Holding Limited – ADR, Lufax Holding Ltd, CK Asset Holdings Limited, Ping An Insurance (Group) Company of China Ltd. – A Shares, China Pacific Insurance (Group) Co., Ltd., The Wharf (Holdings) Limited, Sunac China Holdings Limited, New Silkroad Culturaltainment Limited, JD.com, Inc., New China Life Insurance Company Ltd., China Taiping Insurance Holdings Company Limited, Blue Moon Group Holdings Limited, Ming Yuan Cloud Group Holdings Limited, China Life Insurance Company Limited, HSBC Holdings Plc, Tianjin Development Holdings Limited, JD Health International Inc. and Sunac Services Holdings Limited.

Liquidity, Financial Resources and Funding

The Group mainly relies upon shareholders' funds, funds from placing of shares and cash generated from its business operations to finance its operation and expansion. The Group managed the cash and cash equivalents principally based on making good use of capital to achieve returns for shareholders and ensuring sufficient liquidity for the working capital requirements. Cash and cash equivalents stood at HK\$3,904,660 as at 31 December 2020 (2019: HK\$23,308,357). The cash was deposited with banks and a financial institution in Hong Kong. As at 31 December 2020, the consolidated net asset value of the Group was HK\$26,981,940 (2019: HK\$30,506,667) with consolidated net asset value per share of HK\$0.13 (2019: HK\$0.18).

The Company has completed the placing of 33,400,000 and 40,080,000 new shares of the Company under the general mandate of the Company on 26 May 2020 and 2 February 2021 respectively. The details have been set out as per below:

Date of announcements	Events	Number of shares placed	Placing price	Gross proceeds raised	Net proceeds raised
12 January 2021 and 2 February 2021	Placing of 40,080,000 new shares of the Company under the general mandate of the Company, which was granted to the Directors by the shareholders of the Company at the Company's annual general meeting held on 30 June 2020. ("2021 Placing")	40,080,000 new shares of the Company	HK\$0.188 per placing share	HK\$7.54 million	HK\$7.46 million
29 April 2020 and 26 May 2020	Placing of 33,400,000 new shares of the Company under the general mandate of the Company, which was granted to the Directors by the shareholders of the Company at the Company's annual general meeting held on 14 June 2019. ("2020 Placing")	33,400,000 new shares of the Company	HK\$0.17 per placing share	HK\$5.68 million	HK\$5.56 million

To the best knowledge, information and belief of the Company having made such reasonable enquiry and as informed by the placing agent, each of the placees and their respective ultimate beneficial owners are independent third parties and not connected with the Company and its connected persons as at the date of completion. The placees are professional investors and none of them has become a substantial shareholder of the Company immediately after completion.

The following table set out the actual use of the net proceeds from the fund-raising exercise for the year ended 31 December 2020, up to this announcement date and brought forward from the previous year:

Date of announcements	Events	Proposed usage	Net proceeds raised	Utilised proceeds	Unutilised Proceeds
12 January 2021 and 2 February 2021	2021 Placing	(a) Future investment and business development	HK\$6.96 million	HK\$6.80 million	HK\$0.16 million ¹
		(b) General working capital	HK\$0.50 million	–	HK\$0.50 million ¹
29 April 2020 and 26 May 2020	2020 Placing	(a) Future investment and business development	HK\$2.78 million	HK\$2.78 million	–
		(b) General working capital	HK\$2.78 million	HK\$2.78 million	–
25 January 2019, 12 February 2019 and 25 February 2019	Placing of 27,800,000 new shares of the Company under the general mandate of the Company, which was granted to the Directors by the shareholders of the Company at the Company's annual general meeting held on 8 June 2018.	(a) Future investment and business development	HK\$5.5 million	HK\$5.5 million	–
		(b) General working capital	HK\$5.5 million	HK\$5.5 million	–

Note:

- The unutilised proceeds is expected to be utilised by the end of 31 December 2021.

The Group has no significant liabilities. The Group's accrual and other payables amounted to HK\$472,459 as at 31 December 2020 (2019: HK\$464,300) and a lease liability amounted to HK\$277,602 as at 31 December 2020 (2019: HK\$3,560,700). The Group has recognised a right-of-use asset and a lease liability for the office property lease contract. The gearing ratio of the Group, calculated on the basis of the Group's total liabilities over total owners' equity, was 0.028 as at 31 December 2020 (2019: 0.13).

Capital Structure

Save as disclosed above in the section headed "Liquidity, Financial Resources and Funding", there was no any other material change on Company's overall share structure for the year ended 31 December 2020. The capital of the Company comprises only ordinary shares as at 31 December 2020 and 2019.

Capital Expenditures

The Group's capital expenditures primarily consisted of expenditures on acquisition of computer equipment, furniture and fixtures, motor vehicles and office equipment. For the year ended 31 December 2020, the Group incurred capital expenditure in the amount of HK\$651,199 (2019: HK\$8,480).

Capital Commitments

As at 31 December 2020, the Group did not have any significant capital commitments (2019: Nil).

Foreign Exchange Exposure

The Board believes that the Group has certain exposure to foreign exchange risk as some of the business transactions of the Group are denominated in Renminbi, United States dollars and Singapore dollars. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor the foreign currency exposure closely.

Environmental, Social and Corporate Responsibility

The Company is committed to maintain environmental and social standard to ensure business development and sustainability. We take steps to reduce our consumption of energy and natural resources, e.g. advocate paperless office to reduce the consumption of paper, turn off computers, printers and lighting immediately after use; and use environmentally friendly products and certified materials whenever possible.

The Company has complied with all relevant laws and regulations which include the Bermuda Companies Act and the Listing Rules and maintained good relationship with its employees and investors.

Employees and Remuneration Policies

As at 31 December 2020, the Group has employed a total of 12 employees (2019: 11) including the Directors of the Company. The remuneration packages consist of basic salary, mandatory provident fund, medical insurance and other benefits considered as appropriate. Remuneration packages are generally structured by reference to the prevailing market conditions, individual qualification and performance. They are under periodic review based on individual merit and other market factors. The total staff costs for the year ended 31 December 2020 amounted to HK\$4,980,000 (2019: HK\$5,429,365).

Charges on the Group's Assets

As at 31 December 2020, there were no charges on the Group's assets (2019: Nil).

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 31 December 2020 (2019: Nil).

Significant Investment Held

Save as disclosed above, the Group had no other significant investment held as at 31 December 2020.

Future Plans Relating to Material Investment or Capital Asset

The Group had not executed any agreement in respect of material investment or capital asset and did not have any further plans relating to material investment or capital asset as at the date of this announcement. Nonetheless, if any potential investment opportunity arises in the coming future, the Group will perform feasibility studies and prepare implementation plans to consider whether it is beneficial to the Group and the shareholders of the Company as a whole.

Prospects

Having mentioned in “Business Review” section, the market is experiencing a tumultuous in short run. The Group expect the global economy will be full of challenge in future. The management of the Group will adopt a conservative approach in managing the existing investments in accordance with the Group’s investment objectives and policies. On the other hand, the Group will continue to seek and evaluate good investment opportunities to enrich the investment portfolios, aiming to maximise the return for the shareholders of the Company.

EVENTS AFTER THE REPORTING PERIOD

(i) Placing of shares

The Company and the Placing Agent entered into a placing agreement on 12 January 2021, pursuant to which the Placing Agent agreed, on a best effort basis, to procure a placing to not less than six placees to subscribe for up to 40,080,000 Placing Shares at a price of HK\$0.188 each. The Placing Shares rank pari passu in all respect among themselves and with the existing shares of the Company.

The placing was completed and 40,080,000 Placing Shares were issued and allotted to not less than six placees on 2 February 2021. To the best knowledge, information and belief of the Company having made such reasonable enquiry and as informed by the Placing Agent, each of the placees and their respective ultimate beneficial owners are independent third parties and not connected with the Company and its connected persons as at the date of completion. The placees are professional investors and none of them has become a substantial shareholder of the Company immediately after completion. Details have been set out in the announcements of the Company dated 12 January 2021 and 2 February 2021.

(ii) Appointment of director

With effect from 18 January 2021, Mr. CHAN Cheong Yee has been appointed as an executive Director of the Company. Further details have been set out in an announcement of the Company dated 18 January 2021.

Save as disclosed above, there is no material subsequent event undertaken by the Group after the year ended 31 December 2020 and up to the date of this announcement.

DIVIDEND

The Board does not recommend the payment of any dividend in respect of the year ended 31 December 2020 (2019: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the reporting period.

CORPORATE GOVERNANCE

The Company is dedicated to maintaining and ensuring high standards of corporate governance practices and the corporate governance principles of the Company are adopted in the best interest of the Company and its shareholders. The Company has established procedures on corporate governance that comply with the requirements of the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Listing Rules. The Board has reviewed and taken measures to adopt the CG Code as the Company's code of corporate governance practices. For the year ended 31 December 2020, the Company has complied with the code provisions under the CG Code.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the date of this announcement, there is sufficient public float of more than 25% of the issued share capital of the Company as required under the Listing Rules.

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE GROUP'S BUSINESS

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company and any of its subsidiaries was a party and in which any Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

For the year ended 31 December 2020 and up to the date of this announcement, none of the Directors or their respective associates (as defined in the Listing Rules) had any interest in any business which were in competition or were likely to compete, either directly or indirectly, with the Company's business which needs to be disclosed pursuant to Rule 8.10 of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules regarding Directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiry of all Directors, all the Directors have complied with the required standards as set out in the Model Code and its code of conduct regarding directors’ securities transactions throughout the year.

AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”), with its terms of reference established in compliance with the Listing Rules, comprises three independent non-executive Directors, namely Mr. MOK Ho Ming (the chairman of the Audit Committee), Mr. CHEN Ming and Mr. WONG Yan Wai George. The Audit Committee has reviewed with the management of the Group’s audited consolidated financial statements for the year ended 31 December 2020 including the accounting principles and practices adopted by the Group and has also discussed with management of the Company the financial reporting procedures, internal controls and risk management systems.

AUDITOR

Reference is made to the announcement of the Company dated 25 May 2020. Messrs. RSM Hong Kong (“RSM”) retired as the auditor of the Company with effect from the conclusion of the annual general meeting of the Company on 30 June 2020 and did not seek for re-appointment. BDO Limited had been appointed as the auditor of the Company in replace of RSM until the conclusion of the next annual general meeting of the Company.

SCOPE OF WORK OF BDO LIMITED

The figures in respect of this announcement of the Group’s consolidated results for the year ended 31 December 2020 have been agreed by the Group’s auditor, BDO Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year ended 31 December 2020. The work performed by BDO Limited in this respect did not constitute an assurance engagement performed in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by BDO Limited on this announcement.

DISCLOSURE OF INFORMATION ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This results announcement is published on the website of the Stock Exchange at www.hkexnews.hk as well as the Company’s website at www.ceig.hk. The annual report of the Group for the year ended 31 December 2020 containing all information required under the Listing Rules will be dispatched to the shareholders of the Company and will be made available on the websites of the Stock Exchange and the Company in due course.

ANNUAL GENERAL MEETING

It is proposed that the annual general meeting of the shareholders of the Company will be held on a date to be fixed by the Board. Notice of annual general meeting will be published and despatched to the shareholders of the Company in due course.

By order of the Board
Core Economy Investment Group Limited
SUN Bo
Chairman

Hong Kong, 26 March 2021

As at the date of this announcement, the executive Directors are Mr. SUN Bo (Chairman), Mr. WANG Daming and Mr. CHAN Cheong Yee; the non-executive Directors are Mr. HE Yu and Mr. LIANG Qianyuan; and the independent non-executive Directors are Mr. CHEN Ming, Mr. MOK Ho Ming and Mr. WONG Yan Wai George.