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DT CAPITAL LIMITED

鼎立資本有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 356)

ANNOUNCEMENT OF AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020

The board (the “Board”) of directors (the “Directors”) of DT Capital 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 2020 together with the comparative figures for the year ended 31 December 2019 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Notes	2020 HK\$	2019 HK\$
Gross proceeds from disposal of listed and unlisted investments		<u>24,190,211</u>	<u>15,037,075</u>
Revenue	5	1,205,224	2,169,604
Other income	6	444,109	164,478
Fair value loss on financial assets at fair value through profit or loss		(25,993,068)	(17,301,696)
Administrative expenses		(16,503,276)	(11,221,413)
Finance cost		(201,237)	(113,469)
Loss before taxation	7	(41,048,248)	(26,302,496)
Income tax credit	8	135,099	493,459
Loss for the year and total comprehensive loss attributable to equity holders of the Company		<u>(40,913,149)</u>	<u>(25,809,037)</u>
Loss per share			
Basic and diluted	9	<u>(0.0179)</u>	<u>(0.0113)</u>
Dividend		<u>Nil</u>	<u>Nil</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	<i>Notes</i>	2020 HK\$	2019 HK\$
Non-current assets			
Property, plant and equipment		–	264,097
Right-of-use assets		–	6,589,024
Interest in an associate	<i>10</i>	–	7
Deposit		–	1,029,194
Amount due from an investee	<i>13</i>	–	2,230,000
		–	10,112,322
Current assets			
Other receivables, deposits and prepayments	<i>11</i>	2,638,818	13,658,467
Financial assets at fair value through profit or loss	<i>12</i>	82,394,919	105,655,428
Amount due from an investee	<i>13</i>	2,120,135	–
Cash and bank balances		33,904,598	35,653,786
		121,058,470	154,967,681
Current liabilities			
Other payables and accruals	<i>14</i>	2,391,014	519,364
Lease liabilities		2,062,050	3,129,070
		4,453,064	3,648,434
Net current assets		116,605,406	151,319,247
Total assets less current liabilities		116,605,406	161,431,569
Non-current liabilities			
Other payables and accruals	<i>14</i>	–	1,715,865
Lease liabilities		–	2,062,050
Deferred taxation		926,274	1,061,373
		926,274	4,839,288
Net assets		115,679,132	156,592,281
Capital and reserves			
Share capital		22,794,000	22,794,000
Reserves		92,885,132	133,798,281
Total equity		115,679,132	156,592,281

NOTES

For the year ended 31 December 2020

1. GENERAL

DT Capital Limited (“the Company”) is a public limited company incorporated in the Cayman Islands with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is No.6703, 67/F, The Center, 99 Queen’s Road Central, Central, Hong Kong.

The Company and its subsidiaries (“the Group”) engage in investments holding and trading of securities.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

2. CHANGE IN ACCOUNTING POLICIES

The Hong Kong Institute of Certified Public Accountants (“HKICPA”) has issued certain revised Hong Kong Financial Reporting Standards (“HKFRSs”) that are first effective for the current accounting period of the Group as discussed below. Details of the changes in accounting policies resulting from initial application of these amendments and interpretations that are relevant to the Group are discussed as below.

- Amendments to HKFRS 3, Definition of a Business
- Amendments to HKAS 1 and HKAS 8, Definition of Material
- Amendments to HKAS 39, HKFRS 7 and HKFRS 9, Interest Rate Benchmark Reform

None of these amended HKFRSs has a material impact on the Group’s results and financial position for the current or prior period. The Group has not early applied any new or amended HKFRSs that is not yet effective for the current accounting period.

3. NEW/REVISED HKFRSs THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE

The following new/revised HKFRSs, potentially relevant to the Group's consolidated 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 and HK Interpretation 5 (2020), Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause⁵

Amendments to HKAS 16, Proceeds before Intended Use³

Amendments to HKAS 37, Onerous Contracts – Cost of Fulfilling a Contract³

Amendments to HKFRS 3, Reference to the Conceptual Framework⁴

Amendments to HKFRS 16, COVID-19-Related Rent Concessions¹

Amendments to HKFRS 10 and HKAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁶

Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16, Interest Rate Benchmark Reform – Phase 2²

Annual Improvements to HKFRSs 2018-2020³

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

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

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

⁴ Effective for business combinations for which the date of acquisition is 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 January 2023.

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

These new standards, amendments to standards and interpretations issued but not effective are not likely to have a significant impact on the consolidated financial statements.

4. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRSs which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRS”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange. The consolidated financial statements have been prepared under the historical cost convention except that certain financial assets are measured at fair value.

5. REVENUE

	2020	2019
	<i>HK\$</i>	<i>HK\$</i>
Dividend income from listed equity securities	<u>1,205,224</u>	<u>2,169,604</u>

No dividend income from unlisted equity securities was received for the years ended 31 December 2020 and 2019.

No analysis of the Group's revenue and contribution to operating profit for the current and prior years set out by principal activities and geographical markets is provided. It is because the Group has only one single business segment, which is investments holding and trading of securities, and all the consolidated revenue and the consolidated results of the Group are attributable to performance of the markets in Hong Kong.

No information about major customers has been disclosed as a substantial portion of the Group's revenue is derived from the Group's investments in equity securities and the disclosure of information regarding customers would not be meaningful as the Group does not derive any revenue from external customers.

As the operation of the Group is in Hong Kong, substantially all of the Group's non-current assets other than financial assets were located in Hong Kong and geographical analysis of non-current assets is not presented.

6. OTHER INCOME

	2020 <i>HK\$</i>	2019 <i>HK\$</i>
Interest income	73,539	164,478
Gain on disposal of a subsidiary	16	–
Government grant	369,000	–
Exchange gain	1,554	–
	<u>444,109</u>	<u>164,478</u>

7. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging:

	2020 <i>HK\$</i>	2019 <i>HK\$</i>
Auditor's remuneration	350,000	350,000
Depreciation of property, plant and equipment	55,191	55,203
Depreciation of right-of-use assets	4,176,880	1,973,614
Impairment loss on property, plant and equipment	180,761	–
Impairment loss on right-of-use assets	2,412,144	–
Written off of property, plant and equipment	28,145	–
Impairment loss on amount due from an investee	109,865	360,000
Investment management fee paid to an investment manager	–	1,501,767
Staff cost (including directors):		
– Directors' fee and salaries	3,518,174	2,925,219
– Contribution on defined contribution mandatory provident fund scheme	112,650	102,567
Gain on disposal of a subsidiary	16	–
Consulting fee	2,418,000	890,000
	<u>2,418,000</u>	<u>890,000</u>

8. INCOME TAX CREDIT

- a) The amount of taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	2020 HK\$	2019 <i>HK\$</i>
Deferred tax credit	<u>(135,099)</u>	<u>(493,459)</u>

No provision for Hong Kong profits tax has been made in these consolidated financial statements as the tax losses brought forward by the Company and its subsidiaries from prior years exceed the estimated assessable profits for the years ended 31 December 2020 and 31 December 2019.

- b) Deferred tax liabilities recognised are analysed as follows:

	Tax losses <i>HK\$</i>	Unrealised gain on financial assets at FVPL <i>HK\$</i>	Total <i>HK\$</i>
At 1 January 2019	(482,382)	2,037,214	1,554,832
Credit for the year	<u>–</u>	<u>(493,459)</u>	<u>(493,459)</u>
At 31 December 2019 and 1 January 2020	(482,382)	1,543,755	1,061,373
Charge/(credit) for the year	<u>482,382</u>	<u>(617,481)</u>	<u>(135,099)</u>
At 31 December 2020	<u>–</u>	<u>926,274</u>	<u>926,274</u>

9. LOSS PER SHARE

The basic loss per share is based on the Group's loss attributable to equity holders of the Company of HK\$40,913,149 (2019: HK\$25,809,037) and the weighted average number of 2,279,400,000 (2019: 2,279,400,000) ordinary shares in issue during the year.

Dilutive loss per share is same as the basic loss per share as the Company has no dilutive potential ordinary shares in issue for both 2020 and 2019.

The directors do not recommend payment of final dividend for the year ended 31 December 2020 (2019: Nil).

10. INTEREST IN AN ASSOCIATE

	2020 <i>HK\$</i>	2019 <i>HK\$</i>
Unlisted investments, at cost	–	12
Share of post-acquisition profits, net of dividends received	–	808,207
	–	808,219
Amount due from an associate	–	9,614,286
	–	10,422,505
Impairment loss	–	(10,422,498)
	–	7

The Group's investment in an associate, namely Purple Link investment Limited ("Purple Link"), whose sole business was investment in a real estate development project in Thailand which amounted to approximately HK\$41 million. Purple Link's investment in the project was wholly financed by shareholder loans from its shareholders. The Group holds 25% equity interest in Purple Link and had contributed approximately HK\$10.4 million to the associate.

Investment agreement had been signed between Purple Link and a Thailand real estate developer in 2013. The investment agreement set out that Purple Link would finance the construction of several property units and it would yield profits once these units are completed and sold. The Thailand developer should be responsible for the construction and management of the project. Pursuant to the terms of several supplementary agreements signed between the parties, the project was expected to be completed in 2018 and Purple Link should receive the return in August 2018 from the Thailand developer. Unfortunately, by September 2018 there remained no return from the Thailand developer to Purple Link. Upon the subsequent site inspection in Thailand, it was found that the construction had not been fully completed and the remaining interior construction work had been suspended since October 2018. The Thailand developer could not provide any further concrete action plan and there was no immediate evidence to support that the Thailand developer has the ability to refund the investment cost to Purple Link. The Group assessed that the investment agreement had been defaulted. Without the return from the investment in Thailand, and having considered the project was not promising, the management assessed to fully impair the interest in the associate since the year ended 31 December 2018.

Notwithstanding the above, the Group sought alternative plans for Purple Link to fund and complete the project with a view to recover the expected return to Purple Link. After several discussions with the relevant parties during the year ended 31 December 2019, the Group had decided and further invested approximately HK\$12.8 million to Purple Link (Note 11), expecting that the project would complete by December 2020. However, as the COVID-19 outbreak has dealt a big blow on the global investment environment, upon further review of the investment prospect by the management, the Group decided to realise the investment in the associate and to stop loss, hence, on 26 March 2020, the Group entered into a sale and purchase agreement with an independent third party. Pursuant to the agreement, the Group disposed its entire interest in Purple Link for a cash consideration of HK\$13,086,016, through the disposal of 100% interest in Rainbow Ocean Investments Limited, a subsidiary of the Group holding the interest in Purple Link. The transaction was completed on the same date.

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2020 <i>HK\$</i>	2019 <i>HK\$</i>
Non-Current Assets		
Deposit	–	1,029,194
Current Assets		
Other receivables (Note i)	1,147,923	13,110,842
Deposits	1,036,593	80,275
Prepayments	454,302	467,350
	<u>2,638,818</u>	<u>13,658,467</u>

Note i: As at 31 December 2020, the balances placed in broker securities accounts of HK\$1,147,923 (2019: HK\$290,849) were included in other receivables. As at 31 December 2019, included in other receivables was also an amount due from an associate of HK\$12,819,993 which was derecognised by the Group upon disposal of the subsidiary holding the interests in the associate in March 2020.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2020 <i>HK\$</i>	2019 <i>HK\$</i>
Equity securities listed in Hong Kong at fair value excluding		
Suspended Equity Securities	76,766,565	91,870,588
Suspended Equity Securities	2,303,703	–
	<u>79,070,268</u>	91,870,588
Unlisted equity securities at fair value	1,821,453	5,130,840
Unlisted equity securities with a put option at fair value	1,503,198	8,654,000
Unlisted debt securities at fair value	–	–
	<u>82,394,919</u>	<u>105,655,428</u>

13. AMOUNT DUE FROM AN INVESTEE

The advance are unsecured, interest free and to be repayable within one year (2019: repayable on or before 31 December 2024).

14. OTHER PAYABLES AND ACCRUALS

As at 31 December 2020, the other payables and accruals in the current liabilities includes the provision for reinstatement of leased office premises of HK\$1,715,865, which the tenancy will be expired within one year. It was classified as non-current liabilities as at 31 December 2019.

15. NET ASSET VALUE PER SHARE

	2020	2019
	HK\$	HK\$
Net asset value per share	<u>0.05</u>	<u>0.07</u>

The calculation of net asset value per share is based on the net assets of HK\$115,679,132 (2019: HK\$156,592,281) and 2,279,400,000 (2019: 2,279,400,000) ordinary shares in issue as at 31 December 2020.

16. EVENTS AFTER THE REPORTING DATE

On 18 August 2020, the Group entered into a sales and purchase agreement with Shen You Holdings Limited (“Shen You”), a company listed on the Stock Exchange of Hong Kong Limited with stock code 8377. Pursuant to the agreement, the Group together with Vendor A, Vendor B and Vendor D (collectively referred to as the “Vendors”) sold their entire interests in the issued share capital of and sales loans due from Diamond Motto Limited (“Diamond Motto”) for an aggregate stated consideration of HK\$14,500,000, by way of allotment and issue of an aggregate of 67,441,860 consolidated shares, representing HK\$0.215 per share. The Group has conditionally agreed to sell its entire shares, representing approximately 16.67% of the entire issued share capital of Diamond Motto, and the amount due from Diamond Motto for a stated consideration of HK\$3,623,333, which would be satisfied by Shen You by way of allotting and issuing an aggregate of 16,852,711 consolidated shares of HK\$0.05 each in the issued share capital of Shen You. The completion is subject to the fulfilled or waived of the conditions precedent and the transaction was yet completed as at 31 December 2020.

As at the agreement date, (i) Mr. Leung, being an executive director of the Company, was also an executive director and a shareholder with approximately 4.17% of the entire issued share capital of Shen You, and was a shareholder with approximately 0.85% of the entire interests in the issued share capital of the intermediate holding company of Vendor B; (ii) Mr. Leong, being an executive director of the Company, was also a shareholder with approximately 15.10% of the entire issued share capital of Vendor B, and was a director of each of Diamond Motto and LMP International Limited (“LMP”), being a wholly-owned subsidiary of Diamond Motto; and (iii) Ms. Chan, being a non-executive director and chairman of the Company, was also a shareholder with approximately 11.16% of the entire issued share capital of the Company, and was also a director of Diamond Motto and LMP.

On 2 February 2021, an Extraordinary General Meeting (“EGM”) of Shen You was held and the shareholders of Shen You have approved the sales and purchase transaction and the allotment and issuance of its shares as consideration, and completion of the transaction took place on 9 February 2021. Accordingly, the Group received the 16,852,711 consolidated shares of Shen You.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the year ended 31 December 2020, the Group recorded loss attributable to equity holders of approximately HK\$40.9 million (2019: HK\$25.8 million). The loss per share was HK\$0.0179 (2019: HK\$0.0113). Increase in loss in 2020 was mainly caused by an increase in the unrealised loss on listed and unlisted securities approximately HK\$10.96 million compared with 2019. In addition, there were no bank interest expenses in 2020 and 2019.

The stock market was fluctuating in 2020 that led to the Group's unrealized fair value loss on listed securities of approximately HK\$17.22 million (2019: HK\$14.74 million) and realized gain on listed securities of approximately HK\$1.69 million (2019: HK\$0.33 million).

The Company has fully disposed of one project through disposal of a wholly-owned subsidiary in 2020.

The Company has signed a conditional agreement for sale and purchase of the issued shares of and the account receivables due by Diamond Motto Limited on 18 August 2020 that will result in a loss on disposal of approximately HK\$7.81 million. As at 9 February 2021, this project was fully disposed.

The performance of investments were affected by the major factors as follows:

Economic, Social and Political – Economic, Social and Political affected the stock market and caused its fluctuation, such as trade war between U.S. with the People's Republic of China volatile and Covid-19 pandemic around the globe.

Liquidity – Liquidity affected the Group short term strategy to balance in investing listed and unlisted securities and maintaining the cash position.

The Group strategy was to maintain strong cash balance to prepare for stock market fluctuation in 2020. Therefore, the Group had no new investment plan in 2020. The Group short term strategy is changed from time to time to reflect the market and economic situation and long term strategy is balanced in investing listed and unlisted securities to increase shareholder's returns.

The proceeds of approximately HK\$35 million from the Placing on 28 December 2017 has changed its usage as disclosed in the announcement of the Company on 13 December 2019. The Board resolved to reallocate the sum of approximately HK\$17.5 million for general working capital and HK\$12.5 has been used in 2020 thereof approximately HK\$5 million will be gradually used to meet the Company operating expenses over the course of the year ending 31 December 2021. The remaining sum of approximately HK\$17.5 million shall be used for investment in potential projects in China or relating to technology business as originally planned, and/or for such other business opportunities as may be identified by the Company as suitable. The approximately HK\$22.5 million were not utilised as at the date of this report and has been kept in the Company's bank accounts.

The delay in making the investment and applying the proceeds was due to the reason that the Company has been taking a more prudent approach in studying investment opportunities and making new investment with the function of the investment manager suspended since 9 November 2018. The Company was in the course of actively reviewing the intended investment opportunities again and targeted to confirm and implement such investment opportunity. However, the Company remains prudent and conservative in making new investments given the global social and economic unrest in the year of 2020 and the deteriorating investment environment.

The Company will adopt a prudent approach to identify and assess investment opportunities, and expect that the net proceeds of approximately HK\$5 million will be used for new investment in 2021. For the remaining net proceeds, the Company was used approximately HK\$12.5 million in 2020 and remaining of approximately HK\$5 million will be gradually used as general working capital of the Company to meet its operating expenses over the course of the year ending 31 December 2021, and the remaining of approximately HK\$12.5 million will be applied for suitable investment opportunities. The Board will closely monitor the economic and financial condition of the market and will actively look for suitable investment opportunities, with the aim to use the available fund of the Company in a more effective way.

PROSPECTS

Multiple vaccine approvals and the launch of vaccination in some countries in December 2020 have raised hopes of an eventual end to the pandemic. Global capital markets have reacted positively to news about the development of COVID-19 vaccines. This suggests that investors are increasingly confident that there could be a global economic recovery once a vaccine becomes available. However, surging infections in late 2020, renewed lockdowns, logistical problems with vaccine distribution, and uncertainty about take-up are important counterpoints to the favorable news.

Hong Kong will continue to face challenges in 2021, with economic expectations split between a possible recovery and a continuing recession, ultimately depending on how the COVID-19 situation develops as well as government response.

Much of the economic recovery also depends on the recovery and growth of the global economy and Mainland China's economy. The good news is that Mainland China has mostly reopened, and the world's second largest economy is set to expand by 2.3% in the whole of 2020. It is the only major economy of the world to record a growth for the year. However, should global economic growth remain weak, it will likely affect Hong Kong adversely. Challenges may also arise from developments in the local political environment.

The financial sector in Hong Kong is a rare sector with limited drag from the COVID-19 and will continue to be a key source of economic growth in 2021. The presence of more secondary and tech-related listings of Chinese firms will also mean more activities for equities.

With so many unpredictable factors, we believe the key to success is in managing risk successfully through diversification and due diligence. In 2021, we will continue our creative yet careful approach to new investments and portfolio management – we will explore new potential areas of investment while exercising due caution where necessary.

Apart from trading securities, the Management will continue to increase shareholder's returns, by exploring various sectors and regions with the aim of finding additional favorable investments that are undervalued and have sustainable income streams.

FINANCIAL REVIEW

Financial Resources and Liquidity

As at 31 December 2020, the total equity of the Group amounted to approximately HK\$115.68 million (31 December 2019: HK\$156.59 million).

As at 31 December 2020, the Group maintained a cash position, bank balances and cash amounting to approximately HK\$33.9 million (31 December 2019: HK\$35.65 million).

The Group's net financial asset investments of approximately HK\$82.39 million as at 31 December 2020 (31 December 2019: HK\$105.66 million).

Gearing Ratio

The Group's total borrowings comprising the lease liabilities and current other payables and accruals, amounted to approximately HK\$2.74 million as at 31 December 2020 (31 December 2019: HK\$5.71 million).

The Group's gearing ratio calculated on the basis of total borrowings over the shareholders' equity of the Company was approximately 2.37% as at 31 December 2020 (31 December 2019: 3.65%).

Final Dividend

The Board has resolved not to recommend any payment of final dividend for the year ended 31 December 2020 (2019: Nil).

Capital Structure

There was no change to the Group's capital structure for the year ended 31 December 2020.

Capital Commitment and Contingent Liabilities

As at 31 December 2020, there had no material capital commitment and no contingent liabilities.

Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group's assets and liabilities are majority denominated in Hong Kong Dollars. The Group at present does not have any contracts to hedge against its foreign exchange risks.

Share Options

The Company has not adopted any share option scheme.

Employees and Remuneration Policies

As at 31 December 2020, the Group employed a total of 6 employees (2019: 6) including the executive 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 market terms, individual qualification and performance. They are under periodic review based on individual merit and other market factors.

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

There was no purchase, sale or redemption of the Company's shares by the Company or any of its subsidiaries for the year ended 31 December 2020.

CORPORATE GOVERNANCE CODE COMPLIANCE

The Board has applied the principles and complied with the code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange") for the year ended 31 December 2020, save and except for the deviations of the following:

CG Code provision A.6.7 stipulates that independent non-executive directors and other non-executive directors should attend general meeting and develop a balanced understanding of the views of shareholders. Two independent non-executive Directors and one non-executive Director were unable to attend the annual general meeting of the Company held on 29 May 2020 due to their other business engagements.

Apart from the above-mentioned deviations, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting those in the code provision. The practice of the corporate governance of the Company will be reviewed and updated from time to time in order to comply with the requirement of the Listing Rules.

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") according to "A Guide for the Effective Audit Committees" published by the Hong Kong Institute of Certified Public Accountants and the terms of reference adopted in compliance with the CG Code. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group. The Audit Committee had also reviewed the annual results of the Group for the year ended 31 December 2020 in conjunction with the Company's external auditors.

SCOPE OF WORK OF BDO LIMITED

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules. Upon enquiry by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the period.

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, the percentage of the Company's shares which are in the hands of the public exceeds 25% of the Company's total number of issued shares.

PUBLICATION OF THE FINAL RESULT AND ANNUAL REPORT

The results announcement is published on the Stock Exchange's website (<http://www.hkex.com.hk>) and the Company's website (<http://www.dt-capitalhk.com>) under sections of "Annual/Interim Report" and "Announcements". The 2020 annual report will be dispatched to the shareholders and will be available on websites of the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my appreciation to the staff and management team of the Group for their contribution in 2020 and would like to give my sincere gratitude to the shareholders for their continual support.

By order of the Board
DT Capital Limited
Chan Pui Kwan
Chairman

Hong Kong, 26 March 2021

As at the date of this announcement, the Board comprises Mr. Leong Chi Wai, Mr. Lewis Chan and Mr. Su Chunxiang as Executive Directors; Ms. Chan Pui Kwan and Ms. Li Peng as Non-executive Directors; Mr. Chen Yeung Tak, Mr. Ruan Zhi and Mr. Jochum Siebren Haakma as Independent Non-executive Directors.