Golden Rock Global plc

(Incorporated and registered in Jersey under the Companies (Jersey) Law 1991 with registered number 121560)

Financial Statements
31 December 2020

CHAIRMAN’S STATEMENT

It is a pleasure to announce the annual results for the Company for the year ended 31 December 2020.

During the year we continued to search for suitable acquisition targets in the fintech sector in line with the Company’s investment criteria.

The Board monitored the impact that COVID 19 on the Company during the year. However, as the Company is a non-trading entity, I am pleased to report it did not have a material impact on the Company’s financial position.

Since the year end, the Board has raised approximately £200,000 through the issue of 3,175,000 new ordinary shares, the net proceeds of which will be used for working capital. In addition, the executive director, Wei Chen, has agreed to the continued deferral of his fees. The Board considers that this, together with its existing cash resources at the year end, will be sufficient for its current working capital requirements, which is for at least the next 12 months whilst it continues its search for a suitable acquisition target.

In February 2021, it was announced that that Feng Chen and Bin ("Vivien") Shi had resigned as directors of the Company.

Ross Andrews

Chairman

07 May 2021

CORPORATE GOVERNANCE REPORT

Introduction
There is no applicable regime of corporate governance to which the directors of a Jersey company must adhere over and above the general fiduciary duties and duties of care, skill and diligence imposed on such directors under Jersey law. As a Jersey company and a company with a Standard Listing, the Company is not required to comply with the provisions of the UK Corporate Governance Code. Nevertheless, the Directors are committed to maintaining high standards of corporate governance and, so far as is practicable given the Company's size and nature, have voluntarily adopted and comply with the Quoted Companies Alliance Code ("QCA Code").

The Board has established two committees: An Audit committee and a Remuneration and Nominations committee. John Croft chairs the Audit committee whilst Ross Andrews chairs the Remuneration and Nominations committee. Both committee members were elected in 2016. In addition, the Company has a relationship agreement with shareholders who in aggregate account for 46% of the issued share capital, to ensure the independence and management of the Company in relation to the day-to-day management, affairs and governance of the Company.

Leadership
The terms and conditions of appointment of the non-executive directors are available for inspection at the Company's registered office.

Role of the Board
The Board sets the Company's strategy, ensuring that the necessary resources are in place to achieve the agreed strategic priorities, and reviews management and financial performance. It is accountable to shareholders for the creation and delivery of strong, sustainable financial performance and monitoring the Company's affairs within a framework of controls which enable risk to be assessed and managed effectively. The Board also has responsibility for setting the Company's core values and standards of business conduct and for ensuring that these, together with the Company's obligations to its stakeholders, are widely understood throughout the Company. The Board has a formal schedule of matters reserved which is detailed later in this report.

Board Meetings
The core activities of the Board are carried out in scheduled meetings of the Board and its Committees. These meetings are timed to link to key events in the Company's corporate calendar. Outside the scheduled meetings of the Board, the Directors maintain frequent contact with each other to keep them fully briefed on the Company's operations. In the period under review the Board met on 4 occasions.

Matters reserved specifically for Board
The Board has a formal schedule of matters reserved that can only be decided by the Board. The key matters reserved are the consideration and approval of;

• The Company's overall strategy;

• Financial statements and dividend policy;

• Management structure including succession planning, appointments and remuneration (supported by the Remuneration Committee);

• Material acquisitions and disposals, material contracts, major capital expenditure projects and budgets;

• Capital structure, debt and equity financing and other matters;

• Risk management and internal controls (supported by the Audit committee);

• The Company's corporate governance and compliance arrangements; and

• Corporate policies.

CORPORATE GOVERNANCE REPORT (Continued)

Summary of the Board's work in the period
During the period under review, the Board considered all relevant matters within its remit.

The Chairman sets the Board Agenda and ensures adequate time for discussion.

The Non-executive Directors bring a broad range of business and commercial experience to the Company and have a particular responsibility to challenge independently and constructively the performance of the Executive management (where appointed) and to monitor the performance of the management team in the delivery of the agreed objectives and targets. The Board considers Ross Andrews and John Croft to be independent in character and judgement.

Non-executive Directors are initially appointed for a term of two years, which may, subject to satisfactory performance and re-election by shareholders, be extended by mutual agreement.

Other governance matters
All the Directors are aware that independent professional advice is available to each Director in order to properly discharge their duties as a Director.

Appointments
The Board is responsible for reviewing the structure, size and composition of the Board and making recommendations to the Board with regards to any required changes.

Commitments
All Directors have disclosed any significant commitments to the Board and confirmed that they have sufficient time to discharge their duties.

Induction
All new Directors receive an induction as soon as practical on joining the Board.

Conflict of interest
A Director has a duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. The Board had satisfied itself that there is no compromise to the independence of those Directors who have appointments on the Boards of, or relationships with, companies outside the Company. The Board requires Directors to declare all appointments and other situations which could result in a possible conflict of interest.

Board performance and evaluation
The Company has a policy of appraising Board performance annually. The Company has concluded that for a company of its current scale, an internal process administered by the Board is most appropriate at this stage.

Accountability
The Board is committed to providing shareholders with a clear assessment of the Company's position and prospects. This is achieved through this report and as required other periodic financial and trading statements.

Going concern - The Company was formed to seek acquisition opportunities in the Fintech sector.

The Board has considered the impact of COVID 19 on Company and do not believe, due to the nature of the business, that it has had or will continue to have a material impact on its financial position.

The Directors, having made due and careful enquiry, are of the opinion that the Company has adequate working capital to execute its operations and has the ability to access additional financing, if required, over the next 12 months. The Directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As a result, the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements (see note 4c).

CORPORATE GOVERNANCE REPORT (Continued)

Internal controls - The Board of Directors reviews the effectiveness of the Company's system of internal controls in line with the requirements of the QCA Code. The internal control system is designed to manage the risk of failure to achieve its business objectives. This covers internal financial and operational controls, compliances and risk management. The Company had necessary procedures in place for the period under review and up to the date of approval of the Annual Report and Accounts. The Directors acknowledge their responsibility for the Company's system of internal controls and for reviewing its effectiveness. The Board confirms the need for an ongoing process for identification, evaluation and management of significant risks faced by the Company. A risk assessment for each project is carried out by the Directors before making any commitments.

The Audit Committee has responsibility for monitoring the Company’s financial reporting. Given the size of the Company and the relative simplicity of the systems, the Board considers that there is no current requirement for an internal audit function. The procedures that have been established to provide internal financial controls are considered appropriate for a company of its size and include controls over expenditure, regular reconciliations and management accounts.

Provision of non-audit services is considered by the Audit Committee. The Audit Committee has considered the use of external accounting service providers for non-audit services, and all the current providers have been retained and considered appropriate.

During the year the auditors received fees set out in Note 9 to the Financial Statements. Acting as auditors, they received fees of £15,750.

The Remuneration and Nominations Committee has responsibility for agreeing the remuneration policy for senior executives and for the review of the composition and balance of the Board.

Model Code

The Directors have voluntarily adopted the Model Code for directors’ dealings contained in the Listing Rules of the UK Listing Authority. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the Model Code by the Directors.

Compliance with the Model Code is being undertaken on a voluntary basis and the FCA will not have the authority to (and will not) monitor the Company’s voluntary compliance with the Model Code, nor to impose sanctions in respect of any failure by the Company to so comply.

Shareholder relations, communication and dialogue

Open and transparent communication with shareholders is given high priority and the Directors are available to meet with shareholders who have specific interests or concerns. The Company issues its results to shareholders and publishes them on the Company's website.

Annual General Meeting

At every AGM individual shareholders are given the opportunity to put questions to the Chairman and to other members of the Board that may be present. Notice of the AGM is sent to shareholders before the meeting. Details of proxy votes for and against each resolution, together with the votes withheld are announced to the London Stock Exchange and are published on the Company's website as soon as practical after the meeting.

Ross Andrews
Chairman
07 May 2021

COMPANY INFORMATION

Directors
Ross Andrews
Wei Chen
John Croft
Feng Chen – resigned on 23 February 2021
Bin Shi – resigned on 23 February 2021

Company secretary Bin Shi

Company number 121560

Registered office 11 Bath Street, St Helier, JE2 4ST, Jersey

Legal advisers to the Company as to English law:
Locke Lord
201 Bishopsgate, Spitalfields, London EC2M 3AB
United Kingdom

Legal advisers to the Company as to Jersey Islands law:
Ogier
44 Esplanade, St Helier JE4 9WG
Jersey

Auditors:
PKF Littlejohn LLP
15 Westferry Circus, Canary Wharf, London. E14 4HD

Registrar:
Link Market Services (Jersey) Limited
12 Castle Street, St Helier JE2 3RT
Jersey

Principal bankers:
Barclays Bank UK PLC
1 Churchill Place
London
E14 5HP

Company website:
https://www.grglondon.com

DIRECTORS' REPORT

The directors present their report together with the audited financial statements for the year ended 31 December 2020. The Company is incorporated in Jersey.

Results and dividends

The results for the period are shown on page 11. The directors do not recommend the payment of a dividend for the period (2019: Nil).

Principal activity and future developments

The principal activity of the Company is to seek acquisition opportunities, initially focusing on the fintech sector.

The directors expect to continue with the Company's principal activity for the coming year.

Directors' interests in shares and contracts

Directors' interests in the shares of the Company at the date of this report are disclosed below. There are no requirements for Directors to hold shares in the Company.

Director	Ordinary Shares held	% held
Ross Andrews	-	-
Wei Chen	3,680,000 *	23.00
John Croft	-	-

*held by Ms Hui Zhou, wife of Mr Wei Chen

Substantial interests

Feng Chen	3,680,000	23.00
GSB Banking Group	4,480,000	28.00

Directors' Confirmation

Each of the directors who are a director at the time when the report is approved confirms that:

(a) so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that ought to have been taken as a director, in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

Events after the reporting period

On 23 February 2021 the Company announced it had conditionally agreed to issue 3,175,000 new ordinary shares at £0.0625 per share to raise approximately £200,000. The Company further announced that it had entered into a warrant instrument consisting of 4,055,000 warrants exercisable on a one for one basis at a price of £0.0625 per warrant. On the same day Feng Chen and Bin ("Vivien") Shi resigned as directors of the Company.

By Order of the Board

Wei Chen
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Jersey Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the Group's website is the responsibility of the Directors; the work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website. Legislation in Jersey governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDEN ROCK GLOBAL PLC

Opinion

We have audited the financial statements of Golden Rock Global Plc (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included the review of management's 18 month forecasted income statement and balance sheet.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures.

The materiality for the financial statements as a whole was set at £10,700, based on a benchmark of 5% of loss before tax. Loss before tax was used as the basis for calculating materiality as the company is not yet revenue generating. Performance materiality was calculated at £8,560 or 80% of materiality for the financial statements as a whole.

We have agreed with those charged with governance that we would report any individual audit difference in excess of £535 as well as differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Our approach to the audit

In designing our audit we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgements by the directors, such as going concern assumption, and considered future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatements due to fraud. The company's key accounting function is based in the United Kingdom and our audit was performed from our office with regular contact with the company throughout.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept, or proper returns adequate for our audit have not been received from branches not visited by us; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiry with management, and the Audit Committee, including obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instance of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential fraud in the financial statement level taking into consideration the limited number of transactions during the year given the nature of the company
- obtaining an understanding of the legal and regulatory frameworks that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements. The key laws and regulation we considered in this context included the Companies (Jersey) Law 1991, Listing Rules, and relevant tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: *www.frc.org.uk/auditorsresponsibilities*. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with our engagement letter dated 25 March 2021. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joseph Archer (Engagement Partner)	15 Westferry Circus
For and on behalf of PKF Littlejohn LLP	Canary Wharf
Statutory Auditor	London E14 4HD

07 May 2021

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2020

	Note	Year Ended 31/12/2020 £	Year Ended 31/12/2019 £
Revenue		-	-
Administrative expenses			
- Professional fees		(126,855)	(272,308)
- Directorship fees	8	(96,375)	(100,000)
- Foreign exchange gain		11,753	342
- Other expenses		(2,101)	(22,423)
Operating loss		(213,578)	(394,389)
Finance income		4	518
Loss before income tax		(213,574)	(393,871)
Taxation	10	-	-
Loss for the year from Continuing Operations		(213,574)	(393,871)
Total comprehensive loss for the year		(213,574)	(393,871)
Earnings per share			
Loss from continuing operations – basic and diluted (pence per share)	11	(1.33)	(2.46)

The notes on pages 15 to 21 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	31/12/2020	31/12/2019
		£	£
Assets			
Current assets			
Other Receivables		176,800	82,917
Cash and cash equivalents	12	28,465	290,172
Total current assets		205,265	373,089
Total assets		205,265	373,089
Equity and liabilities			
Capital and reserves			
Ordinary shares	13	160,000	160,000
Share premium		1,439,100	1,439,100
Accumulated losses		(1,541,585)	(1,328,011)
Total equity		57,515	271,089
Liabilities			
Current liabilities			
Accruals		147,750	102,000
Total current liabilities		147,750	102,000
Total equity and liabilities		205,265	373,089

These financial statements were approval by the Board of Directors for issue on …07/05/2021... and signed on behalf by:

WEI CHEN
Executive Director

The notes on pages 15 to 21 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Share capital £	Share premium £	Accumulated losses £	Total equity £
Balance at 01 January 2019		160,000	1,439,100	(934,140)	664,960
Total comprehensive loss for the year		-	-	(393,871)	(393,871)
Balance at 31 December 2019	**13**	160,000	1,439,100	(1,328,011)	271,089
Total comprehensive loss for the year		-	-	(213,574)	(213,574)
Balance at 31 December 2020	**13**	160,000	1,439,100	(1,541,585)	57,515

The notes on pages 15 to 21 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	31/12/2020 £	31/12/2019 £
Cash flows from operating activities		
Operating loss	(213,578)	(394,389)
Foreign exchange gains	(11,753)	(342)
Increase in prepayments	(93,883)	(65,298)
Increase in payables	45,750	30,194
Net cash used in operating activities	(273,464)	(429,151)
Cash flows from investing activities		
Interest received	4	518
Net cash generated from investing activities	4	518
Net decrease in cash, cash equivalents	(273,460)	(428,633)
Cash and cash equivalents at beginning of the year	290,172	719,147
Foreign exchange gains	11,753	342
Cash and cash equivalents at end of the year	28,465	290,172

The notes on pages 15 to 21 form an integral part of these financial statements.

No net debt reconciliation as the Company has no debt.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

The Company was incorporated and registered in Jersey as a public company limited by shares on 17 June 2016 under the Companies (Jersey) Law 1991, as amended, with the name Golden Rock Global plc, and registered number 121560.

The Company's registered office is located at 11 Bath Street, St Helier, JE2 4ST, Jersey.

2. PRINCIPAL ACTIVITIES

The principal activity of the Company is to seek acquisition opportunities, initially focusing on the Financial and Technology sector.

3. RECENT ACCOUNTING PRONOUNCEMENT

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for the year ended 31 December 2020:

Applied in 2020:
- Amendments to IAS 1 and IAS 8 - Definition of Material [Effective Date: annual reporting periods after 01/01/2020]

Not yet effective:
- Amendments to IFRS 3 - Reference to the Conceptual Framework [Effective Date: annual reporting periods after 01/01/2022]
- Amendments to IFRS 16 - Covid-19-Related Rent Concessions [Effective Date: annual reporting periods after 01/06/2020]
- Amendments to IAS 37 - Cost of Fulfilling a Contract Framework [Effective Date: annual reporting periods after 01/01/2022, Early application is permitted.]
- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current [Effective Date: annual reporting periods after 01/01/2023.]
- Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [Deferred indefinitely by amendments made in December 2015]
- Amendments to IFRS 17 - Insurance Contracts [Effective Date: annual reporting periods after 01/01/2023.]

The Directors do not believe these standards and interpretations will have a material impact on the financial statements. Those applied during the year did not have a material impact on the financial statements.

4. ACCOUNTING POLICIES

a) Basis of preparation

The financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and prepared on a going concern basis, under the historic cost convention.

The financial information is presented in Pounds Sterling (£) to the nearest pound, which is the Company's functional and presentation currency.

b) Foreign currency translation

The financial statements of the Company are presented in the currency of the primary environment in which the Company operates (its functional currency). Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

c) Going Concern

The financial statements have been prepared on the going concern basis. The Company has assessed the Covid-19 impact on its ability to continue as a going concern. The Company considers that the events arising from the Covid-19 outbreak do not impact on its use of the going concern basis of preparation..

At the time of approving these financial statements and after making due enquiries and considering the prepared forecast, the Directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future. When/If a suitable is identified, the Directors will consider the need for further funding to complete the transaction. For this reason, they continue to adopt the going concern basis in preparing the Company's financial statements.

d) Financial instruments

Initial recognition

A financial asset or financial liability is recognised in the statement of financial position of the Company when it arises or when the Company becomes part of the contractual terms of the financial instrument.

Classification

Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

1) the asset is held within a business model whose objective is to collect contractual cash flows; and
2) the contractual terms of the financial asset generating cash flows at specified dates only pertain to capital and interest payments on the balance of the initial capital.

Financial assets which are measured at amortised cost, are measured using the Effective Interest Rate Method (EIR) and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial liabilities at amortised cost

Financial liabilities measured at amortised cost using the effective interest rate method include current borrowings and trade and other payables that are short term in nature. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate ("EIR"). The EIR amortisation is included as finance costs in profit or loss. Trade payables other payables are non-interest bearing and are stated at amortised cost using the effective interest method.

Derecognition

A financial asset is derecognised when:

1) the rights to receive cash flows from the asset have expired, or

2) the Company has transferred its rights to receive cash flows from the asset or has undertaken the commitment to fully pay the cash flows received without significant delay to a third party under an arrangement and has either (a) transferred substantially all the risks and the assets of the asset or (b) has neither transferred nor held substantially all the risks and estimates of the asset but has transferred the control of the asset.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

Impairment

The Company recognises a provision for impairment for expected credit losses regarding all financial assets. Expected credit losses are based on the balance between all the payable contractual cash flows and all discounted cash flows that the Company expects to receive. Regarding trade receivables, the Company applies the IFRS 9 simplified approach in order to calculate expected credit losses. Therefore, at every reporting date, provision for losses regarding a financial instrument is measured at an amount equal to the expected credit losses over its lifetime without monitoring changes in credit risk. To measure expected credit losses, trade receivables and contract assets have been grouped based on shared risk characteristics.

e) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held on call with banks and other short term (having maturity within 3 months) highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

f) Earnings per share

Basic earnings per share is computed using the weighted average number of shares outstanding during the period.

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparation of financial information in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

It is the Directors' view that there are no significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect on the amount recognised in the financial information for the period.

6. FINANCIAL RISK MANAGEMENT

a) Categories of financial instruments

The carrying amounts of the Company's financial assets and liabilities as at the end of the reporting year are as follows:

	2020	**2019**
	£	**£**
Financial assets		
Cash and cash equivalent at amortised cost	28,465	290,172
Other receivables	176,800	82,917
Total:	205,265	373,089
Financial liabilities		
Financial liabilities at amortised cost	147,750	102,000

Cash at bank earns interest at floating rates based on daily bank deposit rates.

b) Financial risk management objectives and policies.

The Company is exposed to a variety of financial risks: market risk (including currency risk), credit risk and liquidity risk. The risk management policies employed by the Company to manage these risks are discussed below. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

exposure to risk stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures to minimise operational and legal risks.

i) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit allowances are made for estimated losses that have been incurred by the reporting date.

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

7. SEGMENT REPORTING

IFRS 8 defines operating segments as those activities of an entity about which separate financial information is available and which are evaluated by the Board of Directors to assess performance and determine the allocation of resources. The Board of Directors are of the opinion that under IFRS 8 the Company has only one operating segment. The Board of Directors assess the performance of the operating segment using financial information which is measured and presented in a manner consistent with that in the Financial Statements. Segmental reporting will be considered in light of the development of the Company's business over the next reporting period.

8. STAFF COSTS AND KEY MANAGEMENT EMOLUMENTS

	Year ended 31/12/2020	**Year ended 31/12/2019**
	£	**£**
Key management emoluments		
Remuneration	96,375	100,000

The annual remuneration of the key management was as follows, with no other cash or non-cash benefits. All amounts are short-term in nature.

	£	**£**
Executive Directors		
Wei Chen	15,000	15,000
Non-executive Directors		
Ross Andrews	28,125	30,000
John Croft	23,250	25,000
Feng Chen	15,000	15,000
Bin Shi	15,000	15,000
	96,375	100,000

Included within accruals is £127,500 (2019: £82,500), which relates to unpaid directors' remuneration.

Upon resignation in February 2021, both Ms Bin Shi and Mr Feng Chen waived their claims in respect of the accrued remuneration due to them, as at 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

9. AUDITORS' REMUNERATION

The following remuneration was received by the Company's auditors:

	Year ended 31/12/2020 £	Year ended 31/12/2019 £
Remuneration receivable for auditing the financial statements for the auditors	15,750	15,000

10. TAXATION

The Company is incorporated in Jersey, and its activities are subject to taxation at a rate of 0%.

11. EARNINGS PER SHARE

The Company presents basic earnings per share information for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the reporting period. No share options were in issue at the year end.

	Year ended 31 December 2020	Year ended 31 December 2019
Loss attributable to ordinary shareholders	£213,574	£393,871
Weighted average number of shares	16,000,000	16,000,000
Earnings per share (expressed as pence per share)	**(1.33)**	**(2.46)**

12. CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash at bank equivalents	28,465	290,172

Cash at bank earns interest at floating rates based on daily bank deposit rates.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

13. SHARE CAPITAL

	Number of shares	Nominal value £
Authorised		
Ordinary shares of GBP 0.01 each	48,000,000	480,000
Issued and fully paid		
On incorporation	100	100
Subdivided share capital	9,900	-
	10,000	100
Issue of shares upon placing	15,990,000	159,900
At 31 December 2019 and 31 December 2020	16,000,000	160,000

The Company was incorporated and registered in Jersey as a public company limited by shares on 17 June 2016 and was authorised to issue 10,000 shares of £1 each. The total issued shares on incorporation were 100 shares of £1 each.

On 19 October 2016, it was resolved to subdivide the Company's share capital by a ratio of 1:100, so that the shares had a nominal value of £0.01 per share. It was also resolved to increase the authorised share capital from 1,000,000 share of £0.01 each to 48,000,000 shares of £0.01 each.

On 20 October 2016, a total of 15,990,000 ordinary shares of £0.01 each were issued by way of placing with institutional and other investors at a placing price of £0.10 per placing share for cash consideration of £1,599,000 on the Main market of the London Stock Exchange. The excess of the placing price over the par value of the shares issued was credited to the share premium account.

The issued shares have nominal value of each share of £0.01 and are fully paid. There are no restrictions on the distribution of dividends and the repayment of capital.

14. CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the balance between debt and equity.

The capital structure of the Company as at 31 December 2020 consisted of equity attributable to the equity holders of the Company, totalling £57,515 (2019: £271,089).

The Company reviews the capital structure on an on-going basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. The Company will balance its overall capital structure through the payment of dividends, new share issues and the issue of new debt or the repayment of existing debt.

15. RELATED PARTY TRANSACTIONS

There is no ultimate controlling party in the Company.

The remuneration of the Directors, the key management personnel of the Company, is set out in note 8.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. SUBSEQUENT EVENTS

COVID 19 is a developing situation. As the Company is a non-trading entity the Board do not believe it will have a material impact on its financial position but will continue to keep the matter under review. In our view, COVID 19 is considered to be a non-adjusting post statement of financial position event and no adjustment is made in the financial statements as a result.