

# BDO LIMITED TRANSPARENCY REPORT 2023

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

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BDO Limited, a Hong Kong limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.





## MESSAGE FROM THE MANAGING DIRECTOR (ASSURANCE) OF BDO LIMITED

We present the accompanying Transparency Report for our financial year ended 30 September 2023 in accordance with European Union Audit Regulation (EU No. 537/2014) Article 13.

Audit is the largest service line in our business. Our commitment to exceptional client service has no compromise. Audit is not a static process and we recognise the need to offer our clients the best possible service and therefore ensure the continual development of our staff and enhancement of our range of audit tools. BDO's methodologies, robust quality assurance framework, continuing professional development, tools and guidance are developed with our clients in mind and promptly reflect external developments in world-best practice.

As a firm, we are always committed to audit quality and professionalism across different lines of service and this has made us one of the most reputable accounting firms in Hong Kong over the past 43 years. Our unwavering dedication lies in consistently delivering high-quality engagements that serve the public interest. Our goal is to establish a robust system of quality management (SoQM) that adheres to the requirements of the International Standard on Quality Management 1/ Hong Kong Standard on Quality Management 1 (ISQM 1/HKSQM 1). Recognising the intricacies of ISQM1/HKSQM 1 as a new and complex standard, we are diligently reviewing our existing policies, processes, and controls to ensure their compliance and effectiveness. This process often entails refining and augmenting these policies, processes, and controls to align them with the requirements of ISQM 1/HKSQM 1. While we are actively engaged in this endeavour, implementing our updated plan of action will require time and careful execution. Our commitment to SoQM coincides with our objectives of continual improvement and exceptional performance, which ultimately empowers us to furnish our clients and audited entities with high quality advice and services.

Along with all other auditors of public interest entities in Hong Kong, we are subject to regular inspection and oversight from the Hong Kong Accounting and Financial Reporting Council. BDO is committed on an ongoing basis to develop and apply continual process improvements to its audit methodology and quality framework.

BDO Limited, as a major accounting firm in Hong Kong, has been providing our insight into the continuing development and regulation of the audit profession. I will continue to represent our firm to bring our experience and knowledge as an important stakeholder in the audit regulatory reform in Hong Kong.



**Clement Chan**  
Managing Director – Assurance  
BDO Limited

31 January 2024



## BDO NETWORK

### BDO MEMBER FIRMS

BDO Limited is a Member Firm of BDO International Limited.

The BDO network is an international network of independent public accounting, tax and advisory firms which are members of BDO International Limited and perform professional services under the name and style of BDO (hereafter: 'BDO Member Firms'). BDO is the brand name for the BDO network and all BDO Member Firms.

Each BDO Member Firm is a member of BDO International Limited, a UK company limited by guarantee, as either a voting member (one per country) or a non-voting member. BDO International Limited is the governing entity of the BDO network and sets the membership obligations of the BDO Member Firms in the Regulations of BDO International Limited.

Each BDO Member Firm is an independent legal entity and profits are not shared between member firms. All BDO Member Firm client engagements – whether for domestic work, referred work from other firms in the network, or international work sourced from non-BDO sources – are conducted in the name of the local BDO Member Firm. Membership of the network confers certain rights on BDO Member Firms, as well as certain obligations. Rights include the use of the BDO brand, including the network name and logo, the ability to refer work to and from other BDO Member Firms and a wide range of resources. Obligations include the capability to offer the minimum core services, including accounting and auditing, taxation and specialist advisory services, and a high standard of professionalism and ethics.



(\*Updated in October 2023)

### THE COUNCIL

The BDO network is governed by the Council, the Global Board and the Global Leadership Team of BDO International Limited.

The Council includes one representative from each voting member firm and comprises the members of BDO International Limited and meets annually on a date fixed by the Global Board.

The Council approves the network's central budgets, appoints the Global Board and approves any changes in the Articles and Regulations of BDO International Limited. The Regulations of BDO International Limited, as adopted by the Council, are binding on all member firms (voting and non-voting).

The global aggregated turnover for BDO Member Firms (including their exclusive Alliances) in 166 countries for the year ended 30 September 2023 was US\$14 billion. Partner and staff numbers at 30 September 2023 were over 115,000.

Appendix I sets out the name, operating country of statutory auditors within the EU/EEA, and the combined turnover achieved by those firms is set out on Page 33.

## BDO Global Statistics 2023



### Revenue

**US\$14 bn** ↑ +10.2%  
**€13 bn** ↑ +11.9%



### By region

57% Americas  
 32% EMEA  
 11% Asia Pacific



### By service line

42% Audit & Assurance  
 21% Advisory  
 23% Tax  
 14% Business Services & Outsourcing



### People

115,661  
 ↑ +3.9%



### Presence

1,776 offices  
 166 countries & territories

Data 1 October 2022 to 30 September 2023.

## **BDO IN HONG KONG**

BDO Limited, a firm of certified public accountants registered with the Accounting and Financial Reporting Council (AFRC), is a limited liability company, incorporated in Hong Kong and is owned by its members who are also directors of the company. BDO Limited is also registered under the Accounting and Financial Reporting Council Ordinance (Cap. 588) (AFRCO) as a registered Public Interest Entity auditor (PIE auditor) and we can undertake (ie accept an appointment for carrying out) or carry out Public Interest Entity Engagements (PIE Engagements).

Since our establishment in 1981, we have committed ourselves to facilitating the growth of businesses by embracing new ideas and technologies. As part of the international BDO network, we play a significant role in BDO's operation in Asia Pacific. We audit around 200 listed companies annually and act as reporting accountants in capital market transactions. We have more than 60 directors and 1,100 staff in Hong Kong and we combine international expertise with the region's best available business and advisory services. By acting locally while thinking globally, we continue to provide truly customised services to local enterprises and multinational corporations alike.

BDO Limited is the Hong Kong member firm of the BDO network, which is the world's fifth largest accounting network. Each member firm of the BDO network is a separate legal entity and has no liability for another such entity's acts or omissions.

Our professionals are well-versed in accounting and auditing standards, tax and investment regulations prevailing in Hong Kong, mainland China as well as other major jurisdictions. We conform to the highest international standards.

BDO Limited is principally engaged in the provision of audit and assurance services. Through our affiliates, BDO Hong Kong is engaged in the provision of a wide range of other professional services, which include:

- Business Services & Outsourcing
- Private Client Services
- Risk Advisory Services
- Financial Reporting Advisory Services
- Specialist Advisory Services
- Tax Services



## OUR VALUES AND PRACTICES

### BDO'S INTEGRITY VALUES



Uphold the highest professional standards



Rigorously maintain our independence and objectivity



Give advice we believe in



Behave ethically and stay true to our standards



Avoid conflicts of interest and undue influence



Speak up if we think something is wrong



Respect and preserve client and business confidentiality and privacy



Seek and give honest and constructive feedback

### QUALITY ASSURANCE

BDO Limited has implemented a systematic quality assurance framework to ensure we maintain high standards in terms of meeting clients' expectations, complying with BDO Global standards and complying with the International Standard on Quality Management 1/Hong Kong Standard on Quality Management 1 - Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (ISQM 1/HKSQM 1).

We have dedicated professional support departments to ensure the high quality of our audit engagements and our compliance with professional standards and relevant legal and regulatory requirements. To help us continuously improve, we establish monitoring and remediation process to provide relevant, reliable and timely information about the design, implementation and operation of the system of quality management and take appropriate actions to respond to identified deficiencies such that deficiencies are remediated on a timely basis. The Engagement Inspection Programme (Internal quality reviews of audit engagements) (EIP) is included as part of our monitoring activities.



## GOVERNANCE AND LEADERSHIP

BDO Limited is dedicated to upholding the highest ethical & independence standards and maintaining compliance with the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (HK COE) and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), part of the IFAC (IFAC COE) and the respective local regulations.

Independence is the cornerstone of our profession. It is the fundamental principle on which the reliability of audit, review and other assurance reports to third parties is based.

At BDO Limited, our leadership team remains committed to audit quality and continuous improvement. An important part of building our culture of quality is emphasising that quality is everyone's responsibility. To maintain the highest international standards of our work, BDO Limited has its own management team to monitor and safeguard our audit quality.



## SUPERVISORY BOARD

The Supervisory Board of BDO Hong Kong comprises overseas members and Hong Kong management team, which includes:

- Managing Director - Assurance
- Managing Director - Non-Assurance
- Director and Head of Business Development and Marketing
- Director and Head of Operations and Finance

They are responsible for the formation of our strategy.



**CLEMENT CHAN**  
Managing Director - Assurance



**JOHNSON KONG**  
Managing Director - Non Assurance



**ANDREW LAM**  
Director and Head of Business  
Development & Marketing



**RINGO CHIU**  
Director and Head of Operations  
& Finance

## ASSURANCE MANAGEMENT GROUP (AMG)

The Assurance Management Group comprises our Managing Director – Assurance, Director and Head of Business Development and Marketing, Director and Head of Operations and Finance, Director and Head of Assurance and five assurance group heads.

AMG holds regular meeting once every fortnight to review and discuss major incidents that related to the assurance groups, seeking areas of improvement on policies and procedures, as well as discussing the most updated regulatory and legal requirements that the entire firm should comply.



**CLEMENT CHAN**  
Managing Director - Assurance



**ANDREW LAM**  
Director and Head of Business  
Development & Marketing



**RINGO CHIU**  
Director and Head of Operations  
& Finance



**LESLEY YEUNG**  
Director and Head of Assurance



**AMY LAW**  
Director and Assurance Group  
Head (Group 1)



**PETER CHOW**  
Director and Assurance Group  
Head (Group 2)



**FANNY LI**  
Director and Assurance Group  
Head (Group 3)



**JONATHAN LEONG**  
Director and Assurance Group  
Head (Group 5)



**WING CHAN**  
Director and Assurance Group  
Head (Group 6)

## RISK MANAGEMENT COMMITTEE (RMC<sup>1</sup>)

At our firm, we have a Risk Management Committee, supported by the Risk Management Department, to oversee risk-related matters. The Committee is chaired by the Director and Head of Risk and composed of operational leaders.

The Risk Management Department is responsible for devising and implementing measures relating to BDO Limited's risk management matters. The risk management policies and procedures that the department has put in place must be followed by our functional, professional support and front-line departments. The primary duties of the Committee are listed below:

- Performance of a firm-wide risk assessment to identify, assess and respond to material risks, such as strategic, operational, financial, regulatory, legal, IT, brand, reputational and other risks that may be identified.
- Evaluation of the matters identified at the business line level which may have a broader, firmwide impact.
- Formulation and implementation of risk management policies and procedures and ensuring the compliance of directors and members of staff with those policies and procedures.
- Promotion of a culture of risk awareness and consultation.
- Acting as the primary point of contact for risk issues regardless of their nature and source.
- Monitoring of the compliance with the BDO Global Risk Management Policy.



**STEPHEN CHAN (CHAIR)**  
Director and Head of Risk



**CLEMENT CHAN**  
Managing Director - Assurance



**JOHNSON KONG**  
Managing Director - Non Assurance



**RINGO CHIU**  
Director and Head of Operations & Finance



**SIMON RILEY**  
Director and Head of Professional Services



**CECILIA YAM**  
Director and Head of Quality Assurance



**LESLEY YEUNG**  
Director and Head of Assurance

<sup>1</sup> Effective from 1 October 2023, Stephen Chan retired from his role as Director and Head of Risk, and is currently a consultant to the Risk Management Department. Cecilia Yam succeeded him in this position. Additionally, Simon Riley, who currently serves as the Director and Head of Financial Reporting Advisory Services, assumed the role of Head of Quality Assurance on the same date, in addition to his existing responsibilities.

## NEW CLIENT ACCEPTANCE PANEL (NCAP <sup>2</sup>)

We consider the independence requirements in all jurisdictions that apply throughout the BDO International network as part of our procedures for accepting new clients or entering into new engagements with existing clients.

The Director and Head of Risk is responsible for overseeing the design, implementation, operation and monitoring of acceptance and continuance of client relationships and specific engagements. The NCAP plays a pivotal role in the following new client and engagement acceptance and reacceptance process:

- Consideration of the prospective client's business including its geographical spread and the industry it operates in;
- Evaluation of information concerning the prospective client, its management and its owners including obtaining evidence of the identity of the owners and officers of the business;
- Consideration of information regarding the character and reputation of the prospective client and key personnel;
- Assessment of potential independence risks and potential conflicts of interest;
- If relevant, inquiry of the previous auditor regarding the reasons for the change in auditor and whether there are any reasons we should not accept the appointment;
- Assessment of our ability to serve the prospective client; and
- Reviewing filings of the prospective client, including prior year financial statements.



**STEPHEN CHAN (CHAIR)**  
Director and Head of Risk



**CLEMENT CHAN**  
Managing Director - Assurance



**JOHNSON KONG**  
Managing Director – Non Assurance



**SIMON RILEY**  
Director and Head of Professional Services



**CECILIA YAM**  
Director and Head of Quality Assurance



**LESLEY YEUNG**  
Director and Head of Assurance

<sup>2</sup> Effective from 1 October 2023, Stephen Chan retired from his role as Director and Head of Risk, and is currently a consultant to the Risk Management Department. Cecilia Yam succeeded him in this position. Additionally, Simon Riley, who currently serves as the Director and Head of Financial Reporting Advisory Services, assumed the role of Head of Quality Assurance on the same date, in addition to his existing responsibilities.



## ETHICS & INDEPENDENCE

Independence compliance is a priority for BDO.

The fundamental principles within the Code of Ethics are integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. These principles establish the standard of behaviour expected of all our professionals and reflect our recognition of the public interest expectations and responsibility.

Comprehensive policies and procedures on ethics & independence have been established for the firm in line with the HK COE and the IFAC COE. These policies and procedures cover, inter alia, our relationships with audit clients, rotation of engagement directors, fees and the provision of non-assurance services to audit clients. With our effective training programme, the policies and procedures help our professionals understand and meet ethics & independence standards and regulatory requirements so we can deliver exceptional client services. The relevant ethics and independence rules are posted on our intranet, which is accessible by all directors and professionals.

### GLOBAL INDEPENDENCE MANAGEMENT PROGRAMME

It is our fundamental principle to perform assurance services with unimpaired professional judgement and objectivity, and to be seen to be doing so by a reasonable observer.

BDO firms manage and maintain independence and objectivity on assurance clients through compliance with the Global Independence Management Programme. The Programme details the independence requirements, BDO policies and the minimum mandatory procedures that all BDO firms are required to follow. Furthermore, ongoing

monitoring activities are carried out at a global level to ensure that BDO firms remain compliant with the programme and to ensure that BDO continues to meet the demands of the changing environments in which our firms operate.

### INTERNAL REVIEW

We underpin quality by mandating use of the BDO Ethics & Independence Manual, which sets out our Code of Conduct and ethical requirements, and BDO Quality Assurance & Risk Management Manual which fully incorporated the BDO International Risk Management Manual (provides instruction on the necessary design and implementation of risk management and quality control management).

A review of independence practices has been conducted via processes of internal review as part of a series of monitoring and review activities, including:

- An annual declaration undertaken by all directors and staff. All exceptions are reviewed and investigated by the Ethics & Independence Leader.
- The internal inspection programme examines a selection of audit files on an annual basis to review, among other things, the independence compliance.
- Restricted investment monitoring and compliance checking.
- Regular and ad hoc monitoring activities targeting specific aspects of audit independence.

In addition to HK COE, all BDO Member Firms are required to comply with, and annually report their compliance with the IFAC COE.



## MAINTAIN THE STANDARD OF OUR AUDIT QUALITY

### OVERVIEW OF THE SOQM

International Standard on Quality Management 1 and Hong Kong Standard on Quality Management 1 (ISQM 1/HKSQM 1) became effective on 15 December 2022 and required firms to establish a SoQM which takes a proactive and risk-based approach to managing quality.

BDO Limited is responsible for designing, implementing, and operating a SoQM for audits or reviews of financial statements, or other assurance or related services engagements performed by the firm, to provide the firm with reasonable assurance that the objectives of the SoQM are being achieved.

The firm has invested significant time and resources to establish and operate a SoQM that complies with ISQM 1/HKSQM 1 and achieves the objectives:

- The firm and its personnel fulfil their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and
- Engagement reports issued by the Firm or engagement directors are appropriate in the circumstances.

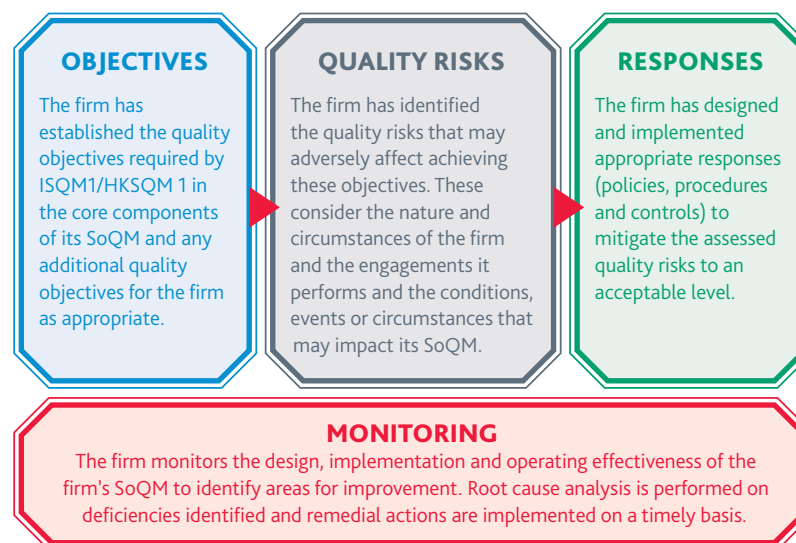
The firm has adopted all of the quality objectives and specified responses as set out in ISQM 1/HKSQM 1 for all of the eight components covered by our SoQM. The eight components are:

- Firm's risk assessment process
- Governance and leadership
- Relevant ethical requirements
- Acceptance and continuance of client relationships and specific engagements

- Engagement performance
- Resources
- Information and communication
- Monitoring and remediation process

These components operate in the firm's SoQM in an iterative and integrated manner. Other requirements of ISQM 1/HKSQM 1 comprise the roles and responsibilities for the SoQM, leadership's overall evaluation of the system, network requirements or network services and documentation.

To support the achievement of the firm's overall quality objectives, in establishing and continuously improving the firm's SoQM, the firm has carried out the following for each of the components of its SoQM:



## OVERVIEW OF THE SOQM (CONTINUED)

The firm identifies emerging developments and changes in the circumstances of the firm or its engagements and adapts its SoQM to respond to such changes.

Robust monitoring and remediation are an important component of the firm's SoQM to ensure that the firm continuously seeks to improve its quality processes. The monitoring performed may identify deficiencies in the firm's SoQM. Deficiencies may exist where:

- A quality objective required to achieve the objectives of the SoQM is not established;
- A quality risk, or combination of quality risks is not identified or properly assessed;
- A response, or combination of responses, does not reduce to an acceptably low level the likelihood of a related quality risk occurring because the response is not properly designed, implemented, or operating effectively; or
- Another aspect of the SoQM is absent, or not properly designed, implemented, or operating effectively, such that a requirement of ISQM 1/HKSQM 1 has not been addressed.

A fundamental part of an effective monitoring and remediation process is to perform root cause analysis on the identified deficiencies to understand why deficiencies arose and to be able to design an effective remediation plan to prevent deficiencies from occurring again in the future. On at least an annual basis the firm evaluates whether these deficiencies have a severe and/or pervasive impact on the achievement of the quality objectives in the firm's SoQM.

## EVALUATING THE SOQM

The firm's annual evaluation of the SoQM considers information gathered about the design, implementation, and operation of the SoQM from monitoring activities performed over the period up to the evaluation date. The monitoring activities include testing the operating effectiveness of responses, reviewing findings from internal and external inspections of engagements, and considering other relevant information obtained about the SoQM.

The firm uses professional judgment to evaluate the results of these monitoring activities to determine whether findings, individually or in aggregate, are assessed to be deficiencies in the SoQM. For all deficiencies identified, the root cause is investigated and the severity and pervasiveness of the deficiency on the SoQM, individually and in aggregate with other identified deficiencies, are evaluated.

We conducted our evaluation in accordance with ISQM 1/HKSQM 1 and concluded that, except for a deficiency related to the scheduling process, to ensure that engagements are appropriately staffed, or sufficient time is allocated to engagements, especially during peak season, have a severe but no pervasive effect on the design, implementation, and operation of the SoQM, the firm's SoQM provides it with reasonable assurance that the objectives of the SoQM are being achieved as of 30 September 2023.

Reasonable assurance is obtained when the SoQM reduces to an acceptably low level the risk that the objectives of the SoQM are not achieved. Reasonable assurance is not an absolute level of assurance, because there are inherent limitations of SoQM.

For all deficiencies identified, the firm designs and implements remedial actions to address identified deficiencies that are responsive to the results of the root cause analysis and remedial progress is monitored.

## QUALITY MONITORING PROGRAMME

Quality monitoring on a global level within BDO originates from the BDO Regulations, which stipulate that each firm is subject to QARs (Quality Assurance Reviews). In practice, this results in a process where each firm, as a rule of thumb, is reviewed at least once every three years. Equally, the results of the firms' own Internal Inspection Programmes are monitored through the global QMP annually. The Quality Monitoring Programme (QMP) is designed to monitor firms' adherence and compliance with professional standards, as well as incremental BDO standards and requirements, including policies, procedures, methodologies and tools.

The QMP is managed by the Global Risk, Quality & Governance department and QARs are carried out by a team of independent and suitably qualified dedicated reviewers, for whom ongoing training is in place.

## ACCOUNTING AND FINANCIAL REPORTING COUNCIL (AFRC) INSPECTION

The Accounting and Financial Reporting Council is an independent body established under the Accounting and Financial Reporting Council Ordinance (Cap. 588) (AFRCO). It is entrusted with the statutory duty to regulate auditors through a system of registration and recognition, and through inspection, investigation and disciplinary action. Under the AFRCO, the AFRC has the power to direct an inspector to carry out an inspection in relation to the PIE engagements completed by a PIE auditor on or after 1 October 2019 for the purpose of ascertaining whether the PIE auditor has complied with, or is likely to be able to comply with: (i) a provision of the AFRCO; or (ii) a professional standard. Effective from

1 October 2022, the AFRC is entrusted with the statutory duty to regulate the accountancy profession. The AFRC also makes use of its powers under the AFRCO to carry out inspections under both Part 3A (of PIE auditors in respect of PIE engagements) and Part 3AA (of practice units in respect of engagements other than PIE engagements) and their compliance with the "Guidelines on Anti-Money Laundering and Counter-Terrorist Financing for Professional Accountants" issued by HKICPA.

Since BDO Limited has around 200 PIE clients (Category A - PIE auditors with more than 100 listed entity audits), AFRC inspects BDO Limited annually. They evaluate the effectiveness of the BDO's system of quality control, which covers policies and procedures over areas such as acceptance and continuance of client relationships and specific engagements, and engagement performance for audit quality within the firm. AFRC also inspected a number of PIE engagements and a non-PIE engagement completed in the inspection year by BDO Limited. The number selected depends on the number of PIE engagements that the PIE auditor has on 31 December just prior to the start of the inspection year.

The results of the 2022 completed AFRC inspection:

- Regarding the firm's quality control system, AFRC did not identify any significant findings.
- In respect of engagement file level, the key findings were related to:
  - a. Audit of revenue
  - b. Challenge and testing of estimates and assumptions in key judgement areas
  - c. Testing of journals

The 2022 AFRC inspection was completed in May 2023. We have undertaken a series of remedial actions to address the findings identified.



## ENGAGEMENT INSPECTION PROGRAMME (EIP)

The inspection of completed engagements (engagement inspections) is one of the monitoring activities performed by the firm under ISQM/HKSQM. The inspection process is focused on the quality of engagements and assists the firm in monitoring, among other things, whether engagement directors have managed and achieved quality on the engagements to which they are assigned by:

- Fulfilling their overall responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conducting engagements in accordance with such standards and requirements, and
- Issuing engagement reports that were appropriate in the circumstances.

The outcomes resulting from the Engagement Inspection Programme may indicate areas and other elements of the firm's SoQM where other monitoring activities are needed.

The inspection of completed engagements also provides, together with the firm's other monitoring activities, information to a firm about the effectiveness of its SoQM to set appropriate quality objectives, identify and assess risks of not achieving the firm's quality objectives, design and implement responses to those risks and finally monitor those responses to identify any deficiencies in the SoQM (system deficiencies).

The overall supervision and responsibility of the EIP is Head of Quality Assurance who is overseeing the EIP process and has a direct line of communication with the Managing Director - Assurance.

When inspecting an engagement, the inspection team focuses on areas of greater complexity, or areas of greater significance or areas with a heightened risk of material misstatement. Under the BDO Audit methodology, this would include areas with a risk of material misstatement (for a review engagement, areas of concern). When determining the scope of an engagement inspection, the inspection team focus on:

Risk/focus areas determined by the firm's inspection team:

- Significant risk of material misstatements (SRMMs)/risk of material misstatements (RMMs) identified by the engagement team;
- Additional areas of risks identified by the inspector;
- Areas affected by recent accounting and auditing developments and pronouncements; and
- Areas that resulted in findings from prior years' internal or external inspections, including the most common inspection findings resulting from BDO Global inspections and key topics identified by the AFRC inspection.

During the internal inspection, the firm's inspection team observed similar results to those identified in the AFRC inspection, which can be partly attributed to a more thorough and rigorous review process that demonstrates the firm's dedication to maintaining audit quality. Remedial action plans are developed by audit teams to address the findings identified.

## ROOT CAUSE ANALYSIS

A fundamental part of an effective monitoring and remediation process is a root-cause-analysis (RCA).

We undertake a RCA in the following instances:

- When significant findings are identified for external reviews (eg regulatory reviews)
- When an external or internal review achieves an overall negative result

By adopting a 'Why? Framework', our RCA identifies the underlying key cause (or causes) behind review findings, whether specific to one audit or firm-wide, so an appropriate and achievable action (or actions) can be taken to prevent recurrence of negative outcomes and to promote recurrence of positive ones.

To support this process, tailored action plans will be provided to address not only specific findings, but also common observations across engagements. It is the responsibility of the respective engagement director to ensure the actions are achievable and subsequently implemented. The monitoring of these plans is then undertaken to ensure each action has been addressed in a timely manner.





## OUR COMMITMENT TO AUDIT QUALITY

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Corporate governance in BDO is about effective oversight, strict compliance with regulations, and sustainable value creation to protect the interest of our stakeholders. We uphold our commitment to the highest standards of corporate governance practices. Our good reputation in the market is built on the solid foundations of an ethical corporate culture and responsible business conduct, underpinned by a well-structured and effective system of governance.

At BDO, we have always placed emphasis on having a sound corporate governance structure. Good corporate governance is the backbone of effective ESG, because it is so closely connected with frameworks for corporate strategy and risk management.

With the support of our colleagues, we have swiftly responded and adapted to evolving business practices, which has enabled us to maintain our market position and enhance our resilience in order to provide exceptional services to our clients.



### ROTATION OF KEY AUDIT DIRECTORS

The firm's policies with respect to an audit of a public interest entity, engagement director, engagement quality reviewer and any other key audit director shall not act in any of their roles, or a combination of such roles, for a period of more than seven cumulative years.

After the time-on period, the director shall serve a "cooling-off" period in accordance with the provisions in HK COE.

### GLOBAL INDEPENDENCE TECHNOLOGY

BDO services clients that operate across multiple jurisdictions. BDO maintains a worldwide database of each firm's restricted entities, including listed companies and other public interest entities. The database is readily accessible to all directors and staff with the objective of maintaining BDO client corporate trees and tracking of restrictions in one global platform. The Global Independence and Conflict of Interest tool enables BDO firms to identify independence and conflict of interest risks prior to client acceptance.

Given the importance of procedures and controls in this area, BDO is currently in the process of designing and implementing a new component, which together with the current global entity management system, will comprise the Global Independence Management Systems across BDO to allow BDO firms efficiently and effectively manage threats to independence and conflict of interest across BDO.

### COMPREHENSIVE DUE DILIGENCE

Prior to accepting any new client or assurance engagement, our engagement teams must perform specific procedures to identify potential conflicts of interest and threats to our independence. Procedures include a custom-made web-based tool to facilitate international conflict of interest and independence checks throughout the BDO network.

There is also an independence declaration per audit engagement signed by directors and staff members that have been involved in the performance of the audit engagement.

### ANTI-MONEY LAUNDERING

BDO adheres fully to the Professional Accountants Ordinance (Chapter 50) and the Anti-Money Laundering and Counter-Terrorist Financing (AML/CTF) Ordinance (Chapter 615) to combat money laundering and prevent the illicit flow of funds. Our commitment to upholding these regulations remains unwavering. To ensure compliance and maintain BDO's high standards, we have developed an AML/CTF Manual that governs the actions of our directors and employees. Any failure to comply with the policies and procedures outlined in the manual is met with appropriate disciplinary measures.

To ensure all personnel are well-equipped, we provide comprehensive AML/CTF training for new employees shortly after they commence their roles at BDO. Additionally, existing employees receive refresher training on AML/CTF updates, procedures, and guidelines at least once a year. In our dedication to staying up-to-date with regulatory developments, we actively share relevant updates from authorities and regulators with all members of our organisation.





## OUR AUDIT METHODOLOGY

### UPDATED BDO AUDIT APPROACH

We adopt a global audit methodology and audit tool that is developed based on the International Standards on Auditing (ISAs), as supplemented by policies and procedures as well as additional application guidance and other materials at both the global and Hong Kong levels. Our commitment to technical excellence is reflected in our ongoing investment in the enhancement of our technical capabilities. This allows us to continuously improve and refine our audit methodology specifically tailored for Hong Kong engagements.

Our primary objective is to operate a methodology that instils confidence in our engagement teams, ensuring consistent application while accommodating scalability. By doing so, we aim to deliver high-quality audits consistently.

In line with this commitment, we pay close attention to information from various sources, both internally and externally, that provides insights into our maintenance and improvement of our methodology and associated tools. This approach ensures that changes and enhancements are responsive to the practising environment in Hong Kong.

We have dedicated efforts to the development and reinforcement of our methodology in the following crucial areas, namely:

- Identification and assessment of inherent risks and control risks
- Utilisation of IT and evaluation of associated risks

## OUR DIGITAL AUDIT SUITE

The key components of BDO's Digital Audit Suite are APT Next Generation (APT Next Gen), the BDO Client Portal and BDO Advantage. Each initiative provides specific benefits, which enhance value, empower BDO's audit teams and enhance the efficiency of the audit process.

APT NEXT GEN	BDO CLIENT PORTAL	BDO ADVANTAGE
<div data-bbox="353 730 427 820" data-label="Image"> </div> <p>Our global audit software and documentation tool, APT Next Gen, is an integral part of our audit methodology. We continue to take advantage of the key benefits the platform provides, including the collaborative nature it offers and ongoing enhancements to project management capabilities.</p> <p>The release of APT library content from BDO Global is subject to a robust review process to ensure compliance with the BDO audit methodology. Following releases from BDO Global, we implement any local changes required by Hong Kong regulatory requirements and communicate these on a timely basis.</p>	<div data-bbox="824 730 904 820" data-label="Image"> </div> <p>We continue to use the BDO Global Portal as an online collaboration space between our clients and our audit teams. The portal enables the exchange of materials in a secure environment with integrated workflow tracking. With the ability to track activities and provide a live of progress to both the auditor and client, the BDO Portal continues to assist audit teams with project management.</p>	<div data-bbox="1339 730 1413 820" data-label="Image"> </div> <p>BDO Advantage is our data analytics audit tool. It works by combining smart technology with our knowledge and understanding of our clients' business to deliver information for in-depth interpretation. These include graphics that aid the exploration and understanding of data and make it easier to spot patterns and trends and crucially to identify anomalies. BDO Advantage will improve our awareness, provide valuable insights and deliver improvements to audit quality. Microsoft Power BI is used in our free form analytics as well as guided analytics. Audit efficiency and effectiveness have gained by performing Risk Assessment Data Analytics (RADA) and Data Analytics Test (DAT) via the use of free form analytics and Journal Analyser is our first guided analytics in our BDO Advantage journey. BDO Advantage makes it easier for the audit team to identify the journals for review.</p>

## ROLES AND RESPONSIBILITIES

We require all professional work to be supervised by staff members with the appropriate knowledge and experience. The engagement directors bear the ultimate responsibility for ensuring the quality of their audit engagements.

The engagement director has a key role in ensuring the application of the BDO Audit Approach and procedures in accordance with the BDO Audit Manual and respective professional standards.

The engagement director must also ensure professional work is carried out with appropriate professional scepticism and that it meets the firm's standards in all respects. In addition, our policies and procedures around the review of audit and assurance work are designed to ensure effective control of the audit as it progresses.

The engagement director's responsibility for managing and achieving quality is well supported by BDO's culture that demonstrates a commitment to quality.

To ensure directors and staff have adequate time to undertake their roles, budgets are prepared for each engagement, and staff are scheduled to jobs based on the time to complete an engagement and not on a fee basis.

Engagement team discussions play an integral part of the audit planning process to ensure each team member has clarity on their responsibilities for the audit.

## ENGAGEMENT TEAMS

The appropriate composition of engagement teams is fundamental to delivering high quality audits. BDO policies require the establishment of a scheduling process to ensure that engagements are appropriately staffed, and that sufficient time is allocated to each engagement. Supplemented by the Technical and Training department, we ensure directors and staff have the necessary competencies and technical skills to undertake their engagements.

## ENGAGEMENT QUALITY REVIEWS

We have an Engagement Quality Review (EQR) policy that prescribes the circumstances in which an EQR is required. This meets the requirements of International Standard on Auditing 220/Hong Kong Standard on Auditing 220 (ISA 220/HKSA 220), ISQC 1/HKSQC 1 and ISQM 2/HKSQM 2. The policy details the appointment and eligibility of the engagement quality reviewer; and the engagement quality reviewer's responsibilities relating to the performance and documentation of an engagement quality review.

The performance of an engagement quality review is undertaken at the engagement level by the engagement quality reviewer on behalf of the firm. An engagement quality review is an objective evaluation of the significant judgments made by the engagement team and the conclusions reached thereon. The evaluation is performed in the context of professional standards and applicable legal and regulatory requirements.



## PROFESSIONAL DEVELOPMENT

One of our key missions is to provide the right environment for our people and the right people for our clients, we focus on delivering exceptional client service in all our firms. The critical measures of success in this area are leadership development, capabilities and experience of our people. Through living our values, our people continue to grow and develop as leaders to deliver to our clients' current and emerging needs but ongoing professional development is fundamental in supporting this.

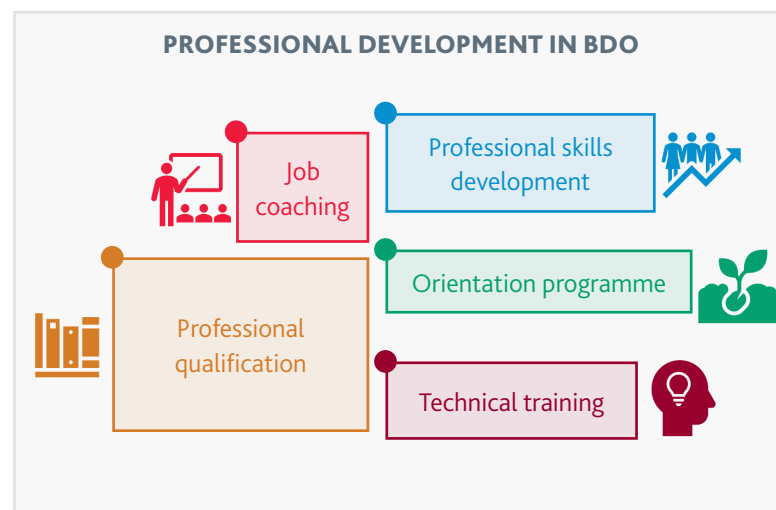
Continuing professional development is critical to ensuring audit quality is maintained and BDO is committed to the continuous development of staff at all levels. We have our own professional development programmes which prescribes specific training programmes for staff at all levels which includes:

- Technical training; and
- Professional skills development.

At initial professional development levels, for all trainee audit professionals, there is an intensive orientation programme covering our audit approach, tools, policies and procedures and our organisational structure. Additional professional development training is provided as a trainee progresses through his or her audit career. In addition to classroom training, we offer an online learning platform which offers various e-learning courses for our professionals as a form of self-directed learning. Training content is integrated alongside role requirements to ensure that only the right people are performing the work at each level. This professional development is complemented by on-the-job coaching which provides a significant contribution to the professional development of trainees.

All audit professionals, including managers and directors, are provided with continuing professional development (CPD) annual updates in auditing, accounting and regulatory matters, some of which are mandatory for certain individuals and elective for others, depending on their business focus and own professional development needs. In addition to technical workshops, additional content is provided on a more just-in-time basis throughout the year. Additional training is also provided by sectors with support and guidance (including training). We require participation in appropriate CPD programmes and monitor the fulfilment of programme obligations.

Professional development opportunities for our people are identified by grade and highlighted in the annually updated learning programme. Our learning management systems can be used to select, book and track attendance in online or workshop-based activities.





## THE LEARNING ENVIRONMENT

As a professional accounting firm, we strongly advocate professionalism. To equip our directors and staff to be fully-fledged CPA professionals, our firm has a dedicated Technical and Training Department for offering abundant developmental opportunities to our staff through an array of professional learning programmes. We firmly believe that training and development with a nurtured learning culture are essential for the success of the staff and the organisation as a whole. Serving client is no longer a question of being a technical expert, professional staff have to be an all-round professional with solid technical and business skills, sharp business acumen and be well versed in the latest regulations and standards in the accounting or other related areas.

Yet, in this dynamic business world, we are experiencing drastic changes such as advancing technology, globalisation of commerce, complex transactions as well as proliferating regulations and litigation cases related to the accounting profession, especially after a series of notorious financial scandals in different parts of the world. All these unprecedented changes make the environment in which professional accounting firms practice extremely challenging, and such challenges impact our strategic directions of staff learning and development in various scopes.

BDO provides a solid learning and development platform for our staff, and our staff proactively grasp every learning and developmental opportunity to excel themselves in the firm.



## TALENT ATTRACTION AND RETENTION

### Staff Wellness

BDO has a multifaceted Staff Wellness Programme which aims at enhancing the overall wellness of our people.

As part of the Wellness Programme, health talks which are conducted by medical practitioners or experts of the respective topic are organised to staff periodically. A variety of recreational activities, interest classes, and corporate social responsibility events are also organised through the BDO Social Club.

A staff activity known as “Upside Down” was held in August 2023. The event was centred around the theme of Servant Leadership, where our management took turns serving ice cream and popcorn to our staff in a fun and relaxing atmosphere. This fostered a profound sense of camaraderie and collaboration, forging even stronger bonds between the management and our people while nurturing a culture of appreciation. The event also showcased our unwavering commitment to corporate social responsibility by sourcing some of our delectable treats from a social enterprise, exemplifying our dedication to making a positive impact on society. The event garnered high attendance and enthusiastic participation, showcasing the popularity of this staff wellness initiative. Both our management and staff greatly appreciated this event.



## University Engagement

We look for talented people who share our passion and aim to achieve their full potential. Through campus recruitment and internship programmes, we recruit potential candidates from local universities. Their insight can provide diverse ideas and inspiration for our business.

As well as offering spring and summer internships to university undergraduates and postgraduates, we have organised the BDO Best Intern Scholarship Contest every year since 2012. The awards are granted to high-performing interns who, during their internship, demonstrate strong professional performance, practical and high-quality ideas for addressing real-life business cases, and great presentation skills. We are always pleased to hear these interns express how fruitful they have found this working experience for their development.

BDO also maintains close relationships with local universities. BDO scholarships are offered to outstanding students at leading local universities. From time to time, we organise seminars and firm visits for students, as well as participating in job fairs organised by these universities.



BDO managing directors Clement Chan (left) & Johnson Kong (right) presented awards to the champion and the 1st runner-up of BDO Best Intern Scholarship Contest 2023



Recruitment talks at universities

## STAFF AND ENGAGEMENT APPRAISALS

Performance development reviews continue to play a critical role in supporting the firm's focus on continuing professional development. Our performance appraisal system is aligned with the firm's core competencies and values. Ensuring consistency across all levels of staff, the appraisal process also provides an improved user experience and a platform for delivering timely feedback in respect of audit quality and identifying development opportunities.

In addition to the annual/ mid-year appraisals, individual engagement appraisal forms are available via internal platform.

Our performance appraisal system facilitates communication and feedback in a timely manner and improves individual career development by enabling effective setting of expectations, goals and objectives. They also identify development points and training needs. Completing job appraisals on a timely basis supports our continuous learning culture and facilitates the growth of our audit professionals.





## BDO AWARDS

BDO was honoured to receive a number of rewards, which recognise our efforts in pursuing our mission to provide exceptional client services and promote the transformation of recruitment.

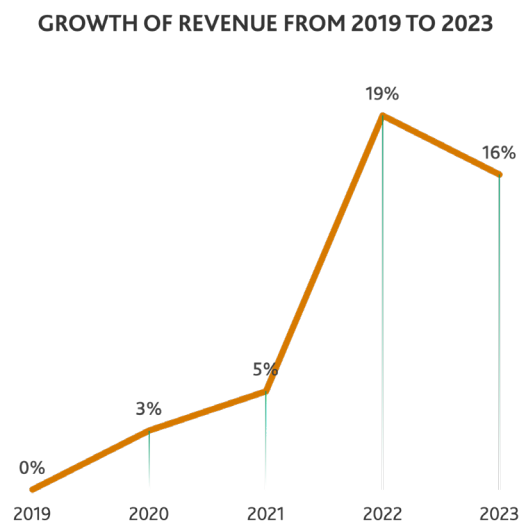
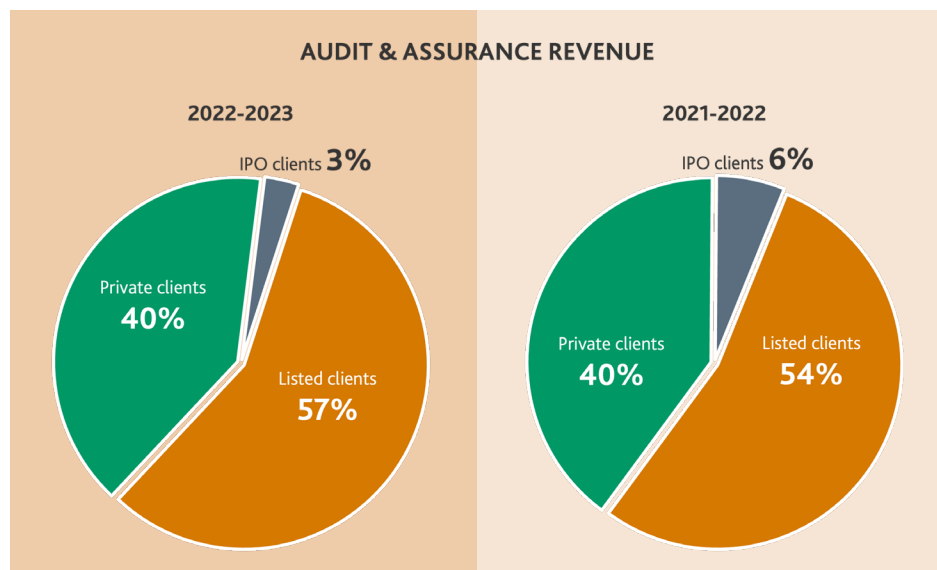
- Outstanding Big Data Integrated Analytics Tool under the Big Data category by FinTech Awards 2023
- Merit Talent Acquisition Provider Award, HKIHRM HR Excellence Awards 2021/22
- Gold Award, Best Recruitment Firm – Banking and Financial Services, HR Vendors of the Year Awards 2022
- Bronze Award, Best HR Outsourcing Service Provider, HR Vendors of the Year Awards 2022
- Receiving the Caring Company Logo for nine consecutive years
- Good MPF Employer 5 Years+ Award
- e-Contribution Award
- MPF Support Award
- Employment Friendly Organization
- Signatory of the Racial Diversity and Inclusive Charter for Employers





## FINANCIAL INFORMATION

BDO Hong Kong had approximately 1,100 staff, which includes over 200 qualified accountants, offering a wide range of professional services. Analysis of total turnover from audit & assurance categorised by different types of clients for the financial year ended 30 September 2023 is as follows:



There were no non-assurance services provided by BDO Limited in both 2022 and 2023.

The combined turnover from achieved by the statutory auditors operating as sole practitioners and audit firms that are members of the network, resulting from the statutory audit of annual and consolidated financial statements of the BDO EU/EEA audit firms for the period 2022/23 was €630,045,047<sup>3</sup>.

<sup>3</sup> This figure does not include the UK. The turnover reported from Bulgaria, Denmark, Iceland, Lichtenstein, and the Netherlands is last year's. Please note that BDO firms have different year ends. Therefore, the total number that we have provided is a combination of the statutory audit turnovers of EU/EEA member firms for their latest financial year. For each firm using another currency than EUR, the average exchange rate for the period they reported has been used.



## DIRECTORS' REMUNERATION

Directors' remuneration is determined having regard to their responsibilities, experience and performance. Assessment is performed based on our director evaluation system which is a model based on the concept of assessment of competencies expected and performance of a director.

Directors perform self-assessment of their own strengths and weaknesses based on the ten core competencies with reference to our firm's mission statement and core values, of which technical competency, quality, risk management and professional ethics and professional scepticism, critical thinking and professional judgement are mandatory competencies. Performance of directors is then evaluated according to their achievements on the competencies, based on various objectives/ KPIs which are agreed in advance by the appraisee and appraiser at the beginning of a fiscal year. In addition, the Composite Performance Score is also derived based on the performance of each director in each of the seven areas including technical competency as a key element. It provides an objective basis of assessment on the performance and competency of the director to support the evaluation.



## COMPLIANCE STATEMENT

We have diligently adopted all quality objectives and prescribed measures outlined in ISQM 1/ HKSQM 1. Throughout the period to the effective date of ISQM 1/HKSQM 1, our primary focus was on identifying quality risks and devising effective strategies to mitigate them. Since 15 December 2022, we have initiated a comprehensive monitoring programme while continuously reviewing and enhancing our existing measures as part of our commitment to ongoing improvement in our SoQM. We acknowledge the inherent challenge of implementing a framework that aligns with ISQM 1/ HKSQM 1 in a rapidly evolving audit quality management landscape. Nonetheless, we are consistently adapting and evolving to meet our objective of consistently delivering high-quality audits. To support our SoQM, our management team has allocated significant time and resources for further initiatives in the fiscal year 2024.

Our SoQM encompasses a comprehensive set of policies, procedures, and control activities specifically designed to mitigate identified quality risks. Our risk assessment process is iterative, and we introduce changes to operational policies and procedures, in response to newly identified risks, and to ensure relevant changes were captured within the ISQM 1/ HKSQM 1 framework.

We assessed the effectiveness of our SoQM by evaluating the results obtained from testing our responses, as well as considering other compelling evidence that indicates the overall performance of our SoQM. This includes insights derived from our EIP process, external regulatory reviews conducted by the AFRC, issues identified through claims, internal and external investigations, and any instances of ethical breaches that have occurred during the period.

For all identified deficiencies from the reviews performed internally and externally, our firm designs and implements remedial actions to address identified deficiencies that are responsive to the results of the root cause analysis and remedial progress is monitored.

In the fiscal year 2024, our efforts will persist in developing and implementing a more resilient system of quality management across our firm.



## APPENDIX I

### EU/EEA MEMBER FIRMS

COUNTRY	TERRITORY	NAME OF THE AUDIT FIRMS IN YOUR TERRITORY
AUSTRIA	Austria	BDO Salzburg GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
		BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
		BDO Steiermark GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
		BDO Oberösterreich GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
		BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
BELGIUM	Belgium	BDO Bedrijfsrevisoren BV / Réviseurs d'Entreprises SRL
BULGARIA	Bulgaria	BDO AFA OOD
CROATIA	Croatia	BDO Croatia D.O.O.
	Albania	BDO Albania Sh.P.K.
	Sarajevo	BDO BH d.o.o. Sarajevo
CYPRUS	Cyprus	BDO Limited
CZECH REPUBLIC	Czech Republic	BDO Audit s.r.o
		BDO Group s.r.o.
		BDO Czech Republic s.r.o.
DENMARK	Denmark	BDO Statsautoriseret revisionsaktieselskab
		BDO Holding VI, Statsautoriseret Revisionsaktieselskab

COUNTRY	TERRITORY	NAME OF THE AUDIT FIRMS IN YOUR TERRITORY
ESTONIA	Estonia	Aktsiaselts BDO Eesti
FINLAND	Finland	BDO Oy BDO Auditor Oy
FRANCE	France	BDO France BDO PARIS ENTREPRISES BDO PARIS AUDIT PME BDO ATLANTIQUE BDO RENNES BDO LYON AUDIT BDO IDF BDO LES HERBIERS BDO FONTENAY LE COMTE BDO NANTES BDO LES ULIS BDO Paris Audit & Advisory BDO Méditerranée
GERMANY	Germany	BDO AG Wirtschaftsprüfungsgesellschaft BDO Oldenburg GmbH & Co KG Wirtschaftsprüfungsgesellschaft BDO DPI AG BDO Dr. Daiber Audit GmbH (until 24 April 2023) BDO Concunia GmbH Wirtschaftsprüfungsgesellschaft

COUNTRY	TERRITORY	NAME OF THE AUDIT FIRMS IN YOUR TERRITORY
GIBRALTAR	Gibraltar	BDO Limited
GREECE	Greece	BDO CERTIFIED PUBLIC ACCOUNTANTS S.A. BDO Services SA
HUNGARY	Hungary	BDO Hungary Audit Ltd
ICELAND	Iceland	BDO ehf.
IRELAND	Ireland	BDO
ITALY	Italy	BDO Italia S.p.A.
LATVIA	Latvia	BDO Assurance, LLC
LIECHTENSTEIN	Liechtenstein	BDO (Liechtenstein) AG
LITHUANIA	Lithuania	BDO Auditas ir Apskaita, UAB
LUXEMBOURG	Luxembourg	BDO Audit
MALTA	Malta	BDO Malta CPAs
NETHERLANDS	Netherlands	BDO Audit & Assurance B.V.
NORWAY	Norway	BDO AS
POLAND	Poland	BDO Spółka z ograniczoną odpowiedzialnością Sp. K.
PORTUGAL	Portugal	BDO & Associados, SROC, Lda
ROMANIA	Romania	BDO Audit SRL BDO Auditors & Accountants SRL BDO Auditors and Business Advisors SRL

COUNTRY	TERRITORY	NAME OF THE AUDIT FIRMS IN YOUR TERRITORY
SLOVAK REPUBLIC	Slovak Republic	BDO Audit, spol. s r.o.
SLOVENIA	Slovenia	BDO Revizija d.o.o.
SPAIN	Spain	BDO Auditores, S.L.P.
		BDO Audiberia Abogados y Asesores Tributarios, S.L.P.
SWEDEN	Sweden	BDO AB
		BDO Göteborg AB
		BDO Göteborg Intressenter AB
		BDO Göteborg KB
		BDO Mälardalen AB
		BDO Mälardalen Intressenter AB
		BDO Norr AB
		BDO Norr Intressenter AB
		BDO Stockholm AB
		BDO Sweden AB
		BDO Syd AB
BDO Syd Intressenter AB		

## APPENDIX II

### PUBLIC INTEREST AUDIT CLIENTS

Public interest entities as defined under Code of Ethics for Professional Accountants issued by the HKICPA are:

- (a) All listed entities; and
- (b) Any entity (i) defined by regulation or legislation as a public interest entity or (ii) for which the audit is required by regulation or legislation to be conducted in compliance with the same independence requirements that apply to the audit of listed entities. Such regulation may be promulgated by any relevant regulator, including an audit regulator.

We do not determine additional entities to be classified as public interest entities other than those falling within the above definition.

In the financial year ended 30 September 2023, we performed statutory audits of the following public interest entities:

### Companies listed in Hong Kong:

Almana Limited	Boill Healthcare Holdings Limited
Anacle Systems Limited	Century Legend (Holdings) Limited
Anxian Yuan China Holdings Limited	CGN Mining Company Limited
APAC Resources Limited	Champion Alliance International Holdings Limited
APT Satellite Holdings Limited	Chen Lin Education Group Holdings Limited
Aquila Acquisition Corporation	Chen Xing Development Holdings Limited
Artini Holdings Limited	China Apex Group Limited
Bank of Guizhou Co., Ltd.	China BlueChemical Limited
Beijing Beida Jade Bird Universal Sci-Tech Company Limited	China Development Bank Financial Leasing Co., Ltd.
Best Mart 360 Holdings Limited	China Development Bank International Investment Limited
Boer Power Holdings Limited	China Gas Industry Investment Holdings Co. Ltd.

China Kangda Food Company Limited	Datronix Holdings Limited
China Ludao Technology Company Limited	DeTai New Energy Group Limited
China Medical & HealthCare Group Limited	Differ Group Auto Limited
China Nuclear Energy Technology Corporation Limited	Digital Domain Holdings Limited
China Overseas Grand Oceans Group Limited	Dongguang Chemical Limited
China Primary Energy Holdings Limited	Dongwu Cement International Limited
China Wantian Holdings Limited	Doumob
China Yurun Food Group Limited	Dowell Service Group Co. Limited
Ching Lee Holdings Limited	E Lighting Group Holdings Limited
Cinese International Group Holdings Limited	Eco-Tek Holdings Limited
CircuTech International Holdings Limited	EGL Holdings Company Limited
Citychamp Watch & Jewellery Group Limited	Elate Holdings Limited
Classified Group (Holdings) Limited	Ernest Borel Holdings Limited
CLSA Premium Limited	Essex Bio-Technology Limited
CMGE Technology Group Limited	Ev Dynamics (Holdings) Limited
CNNC International Limited	Expert Systems Holdings Limited
Coastal Greenland Limited	Far East Holdings International Limited
Concord Healthcare Group Co., Ltd.	Fineland Living Services Group Limited
Continental Holdings Limited	Freotech Road Recycling Technology (Holdings) Limited
Crazy Sports Group Limited	Frontage Holdings Corporation
Crosstec Group Holdings Limited	Futong Technology Development Holdings Limited
Crown International Corporation Limited	Future Bright Holdings Limited
Da Yu Financial Holdings Limited	G&M Holdings Limited

Gemini Investments (Holdings) Limited	Hyfusin Group Holdings Limited
Global International Credit Group Limited	IBI Group Holdings Limited
Glory Sun Land Group Limited	ICO Group Limited
GME Group Holdings Limited	Innovax Holdings Limited
GoFintech Innovation Limited	International Entertainment Corporation
Goldin Financial Holdings Limited	InvesTech Holdings Limited
Grand Brilliance Group Holdings Limited	ISP Holdings Limited
Grand Ming Group Holdings Limited	Jia Group Holdings Limited
Grand Ocean Advanced Resources Company Limited	Jiahua Stores Holdings Limited
Grand Talents Group Holdings Limited	Jiangxi Bank Co., Ltd.
Great Wall Pan Asia Holdings Limited	JX Energy Ltd.
Greatwalle Inc.	King Fook Holdings Limited
Guangzhou R&F Properties Co., Ltd.	Kingkey Intelligence Culture Holdings Limited
Hangzhou Tigermed Consulting Co., Ltd.	King's Flair International (Holdings) Limited
Harbin Bank Co., Ltd.	Kong Sun Holdings Limited
Hevol Services Group Co. Limited	Kontafarma China Holdings Limited
HG Semiconductor Limited	KPa-BM Holdings Limited
Hi-Level Technology Holdings Limited	Lajin Entertainment Network Group Limited
Honbridge Holdings Limited	Lansen Pharmaceutical Holdings Limited
Hopefluent Group Holdings Limited	Lap Kei Engineering (Holdings) Limited
Hua Lien International (Holding) Company Limited	Left Field Printing Group Limited
Huashi Group Holdings Limited	LFG Investment Holdings Limited
Huisen Household International Group Limited	Lingbao Gold Group Company Ltd.

Link Holdings Limited	Pinestone Capital Limited
Linocraft Holdings Limited	Pizu Group Holdings Limited
Lion Rock Group Limited	Pokfulam Development Company Limited
M&L Holdings Group Limited	Pujiang International Group Limited
Many Idea Cloud Holdings Limited	PW Medtech Group Limited
Mason Group Holdings Limited	Quali-Smart Holdings Limited
Megain Holding (Cayman) Co., Ltd.	Rego Interactive Co., Ltd
Mexan Limited	Rici Healthcare Holdings Limited
MIE Holdings Corporation	Sandmartin International Holdings Limited
Mingfa Group (International) Company Limited	Shanghai Dazhong Public Utilities (Group) Co., Ltd.
NagaCorp Ltd.	Shanghai XNG Holdings Limited
Nan Hai Corporation Limited	Shanshan Brand Management Co., Ltd.
Nanfeng Communication Holdings Limited	Sheng Yuan Holdings Limited
New Amante Group Limited	Shuanghua Holdings Limited
New Concepts Holdings Limited	Sincere Watch (Hong Kong) Limited
New Sparkle Roll International Group Limited	Sino Harbour Holdings Group Limited
Ocean Line Port Development Limited	Sino Oil And Gas Holdings Limited
Oriental University City Holdings (H.k.) Limited	Sino-I Technology Limited
P.B. Group Limited	Sino-Ocean Group Holding Limited
Pacific Millennium Packaging Group Corporation	Sino-Ocean Service Holding Limited
PanAsialum Holdings Company Limited	SINOPEC Engineering (Group) Co., Ltd.
PC Partner Group Limited	Sinopec Oilfield Service Corporation
Petro-king Oilfield Services Limited	SMC Electric Limited



Solartech International Holdings Limited	Vision Deal HK Acquisition Corp.
Southgobi Resources Ltd.	Vistar Holdings Limited
Star Group Company Limited	Wanka Online Inc.
Steed Oriental (Holdings) Company Limited	Water Oasis Group Limited
Steve Leung Design Group Limited	Weihai City Commercial Bank Co., Ltd.
Strong Petrochemical Holdings Limited	Weiye Holdings Limited
Sunac China Holdings Limited	Winfair Investment Company Limited
Sundart Holdings Limited	Winfull Group Holdings Limited
Symphony Holdings Ltd.	Winson Holdings Hong Kong Limited
TBK & Sons Holdings Limited	WWPKG Holdings Company Limited
TechStar Acquisition Corporation	Xinda Investment Holdings Limited
Tiande Chemical Holdings Limited	Xinyi Electric Storage Holdings Limited
Time Interconnect Technology Limited	Yanchang Petroleum International Limited
Travel Expert (Asia) Enterprises Limited	Yestar Healthcare Holdings Company Limited
Uni-Bio Science Group Limited	Zhaobangji Lifestyle Holdings Limited
Unity Group Holdings International Limited	Zhengwei Group Holdings Company Limited
Universe Printshop Holdings Limited	Zhongtian Construction (Hunan) Group Limited
Veson Holdings Limited	Ziyuanyuan Holdings Group Limited
Virtual Mind Holding Company Limited	

**Companies listed elsewhere:**

Astron Corporation Limited	Luxking Group Holdings Limited
China Shenshan Orchard Holdings Co. Ltd	Pan Hong Holdings Group Limited
Full Apex (Holdings) Limited	Worldsec Limited

## **BDO LIMITED**

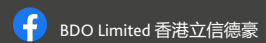
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