



GREENPEACE EAST ASIA
(綠色和平)
(Incorporated in Hong Kong with limited guarantee)

**Report of the Council of Members and
Consolidated Financial Statements
For the year ended 31 December 2020**

GREENPEACE EAST ASIA
(綠色和平)
REPORT OF THE COUNCIL OF MEMBERS AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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GREENPEACE EAST ASIA
(綠色和平)
REPORT OF THE COUNCIL OF MEMBERS

The council members present their report and the audited consolidated financial statements of Greenpeace East Asia (the “Company”) and its subsidiaries (collectively the “Group”) for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activities of the Company are promoting, encouraging, further establishing, procuring and achieving the protection of wildlife, eliminating threats and damage to the environment and all other objectives of Greenpeace International and those of its subsidiaries are set out in note 16(a) to the consolidated financial statements.

RESULTS

The financial performance of the Group for the year ended 31 December 2020 and the financial position of the Group as at that date are set out in the consolidated financial statements on pages 13 to 35.

RESERVES

Details of the movements in reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 16.

Details of the movements in reserves of the Company during the year are set out in Note 16 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in Note 9 to the consolidated financial statements.

COUNCIL MEMBERS

Members of the council of members during the year and up to the date of this report were:

Pai Kundapur Santosh
Chang Wei-Hsiu
Nam Boo-won
Wong Kit Sum
Aoki Yoko

(appointed on 1 January 2021)

In accordance with the Company’s Articles of Association, all council members shall continue in office for the forthcoming year.

GREENPEACE EAST ASIA
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REPORT OF THE COUNCIL OF MEMBERS

MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a council member of the Company or an entity connected with a council member is or was materially interested, whether directly or indirectly, subsisted during or at the end of the financial year.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the council members of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the Company was entered into or existed during the year.

PERMITTED INDEMNITY PROVISIONS

During the financial year and as at the date of this report, a qualifying indemnity provision made by the Company for the benefit of the council members of the Company is in force.

AUDITOR

During the year, PKF Hong Kong Limited resigned as the auditor of the Company and BDO Limited was appointed to fill the casual vacancy so arising. These consolidated financial statements have been audited by BDO Limited.

A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint BDO Limited as the auditor of the Company.

By order of the Council



Nam Boo-won
Council member

Hong Kong, 28 April 2021

GREENPEACE EAST ASIA
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BUSINESS REVIEW

Mission & Values

Greenpeace is an independent, non-profit, global campaigning organization that uses non-violent, creative confrontation to expose global environmental problems and their causes.

Greenpeace's goal is to ensure the ability of Earth to nurture life in all its diversity.

Greenpeace stands for positive change through action to defend the natural world and promote peace. We investigate, expose and confront environmental abuse by governments and corporations around the world. We champion environmentally responsible and socially just solutions, including scientific and technological innovation.

Our core values

Positive action: We use creative, non-violent confrontation to raise the level and quality of public debate.

Global: Nature recognises no frontiers or national boundaries. GPEA is part of a global organization. We address cross-border environmental challenges and leverage global intelligence and resources.

Credible: We are a credible organization that deploys independent investigation, research and actions to highlight environmental problems as well as solutions.

Independence: We ensure our financial independence from political or commercial interests. Greenpeace does not solicit or accept funding from governments, corporations or political parties. Greenpeace neither seeks nor accepts donations that could compromise its independence, aims, objectives or integrity. Individual supporters and foundations are our only source of financial support.

What we do

We seek solutions for, and promote open, informed debate about society's environmental choices. In developing our campaign strategies and policies we take great care to reflect our fundamental respect for democratic principles and to seek solutions that will promote global social equity.

- We investigate and expose environmental crimes, such as illegal logging in the Paradise Forests.
- We work with scientists to conduct scientific research.
- We document environmental problems, such as toxic pollution or the signs of climate change.
- We lobby governments and industries and take part in global negotiations.
- We take creative, non-violent actions.
- We seek out and promote sustainable solutions for our environmental problems.
- We educate and engage the public

GREENPEACE EAST ASIA
(綠色和平)
BUSINESS REVIEW

Our goals

- Protect biodiversity in all its forms.
- Prevent pollution and abuse of our oceans, land, air and water.
- End nuclear threats.
- Promote peace and global disarmament.

2020 Program

In 2020, our campaigns continue to advocate, catalyse, and drive positive environmental changes in the East Asia region despite minor disruptions at the beginning of the year due to COVID.

We continued to devote the majority of our Program resources to tackle climate urgency in the region. Our offices differentiated our audience into three segments and designed our strategies and directions accordingly. For the climate work targeting the public, our Beijing and Seoul offices linked the extreme floods in China and South Korea with climate change. By using extreme weather events that directly affected the lives of the public, we successfully narrowed the distance between the public and climate issues.

To engage the government and policymakers, in Beijing we released several reports advocating for renewables energy alternatives to improve the flexibility of China's power system, as well as to ease the pressure on water resources imposed by coal-fired power plants in the Yellow River Region as water is essential for cooling down in the electricity generation process. In Taiwan, after multiple rounds of negotiation and meetings, the municipal government of New Taipei City and Taitung County have declared climate emergency.

On the corporate front, we have engaged with 3 tech giants in the Information and Communications Technology sector in Beijing, helping the companies to design their renewables strategies while raising ambition in carbon reduction. In Taiwan, our campaign influenced TSMC, the world's largest semiconductor manufacturer, to commit to go 100% renewable by 2050. In Seoul, we continued to target Hyundai to phase out Internal Combustion Engine cars and shift the production to electric vehicles.

Our Beijing and Seoul offices continued to work with other Greenpeace offices on overseas energy investment, advocating the investment in renewable energy instead of coal so China and South Korea can become regional climate leaders by enabling large-scale renewables growth abroad.

Besides working on climate urgency, our Beijing office has been supporting local fieldwork on Asian Elephant Habitat Restoration in Xishuangbanna, as a solution to protect biodiversity and ease the human-elephant conflict in the area. We are also pushing for a circular economy, advocating for a 100% retired electrical vehicle battery re-collection, as well as to prioritize repurposing.

In Hong Kong, we exposed the linkage between the beef consumption in the city and deforestation in Amazon. After negotiation, one of the local supermarket giants, Park n' Shop, promised to change their supplier and cut ties with the companies that are responsible for Amazon deforestation. Besides, we launched the Save the Lantau campaign, successfully drew the attention of the public to the reclamation project proposed by the government.

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In Taiwan, we released a report to expose the human rights abuse of Taiwanese fishing vessels. Under our campaign pressure, the Fisheries Agency in Taiwan promised to include labor condition requirements in the existing Flag of Convenience regulations. For the plastics campaign, our team held a press conference in November, releasing our findings which shows over 85% of the public thinks Taiwan should speed up phasing out single use plastics. This reflects that our work has garnered social acceptance and support.

In South Korea, we carried out Non Violent Direct Action outside of the headquarters of Lotte Mart, demanding a reduction of single-used plastics. Our campaign target later announced a commitment of 50% plastics reduction by 2025. The office in Seoul also continues to work against the discharge of Fukushima nuke water by the Japanese government. Being the first NGO campaigning on the issue, we successfully put the issue under spotlight, creating pressure for both Japanese government and the Korean government.

Financial Performance

Key Financial Performance

- Total fundraising income increased to HKD 254 million, that is HKD 33 million or 15% more than last year;
- Contribution from Greenpeace International, amounting HKD 64 million, decreased by 11% compared to last year;
- Overall programme expenditure was HKD 172 million, representing an increase of 1% over the year prior and amounting 60% of our total expenditure;
- Organisational support costs were HKD 34 million, which represent 12% of total expenditure; and
- Fundraising investment and supporter service expense was HKD 81 million, which is a 9% increase over the year prior due to the investment of infrastructure and diversification of income channels.

Thanks to the strong engagement from our supporters in our campaigns for protecting the environment, Greenpeace East Asia managed to increase its income across the region and hence further reinforce its efforts towards a green and peaceful Earth.

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BUSINESS REVIEW

Our donors - the very reason of our existence

To maintain its independence, Greenpeace does not accept donations from governments or corporations but relies on contributions from individual supporters and foundation grants. We believe that the struggle to preserve the future of our planet is not about Greenpeace alone. It's about each and every one of our supporters. Greenpeace speaks for 3 million supporters worldwide and encourages many millions more than that to take action every day.

2020 the Fundraising income maintained a growth, with a total of HKD 254 million raised across Hong Kong, Taiwan and Korea. It was a growth of HKD 33 million or 15%.

This was achieved thanks to the generous support of our existing donors to continue their donations, and to increase their level of support where possible. Over 63,821 new donors were inspired to join the Organisation across the region (24,526 in Taiwan, 32,864 in Korea and 6,431 in Hong Kong) meaning the number of active donors grew to 201,240 by the end of the year, an increase of over 15% from 2019.

Accountability measures

Greenpeace works actively to ensure transparency and public accountability in its campaigning, fundraising and financial management practices.

Greenpeace is a Member of Accountable Now, a platform of international civil society organisations. Together, we strive to be transparent, responsive to stakeholders and focused on delivering impact. We have signed ten globally-agreed-upon Accountability Commitments and seek to respect human rights, be independent and work ethically and professionally.

Annually Greenpeace reports publicly on our economic, environmental and social performance according to the Accountable Now Reporting Framework to an Independent Review Panel. Learn more about our work and responsibility towards our stakeholders in our Accountability Reports.

Internal controls

On top of the policies and standards mentioned above, Greenpeace has an internal audit function that verifies the existence and efficiency of the management controls implemented.

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Green policy

Global Environmental Management

On a global level, Greenpeace International has set up a multitude of environmental management initiatives which are adopted by all national and regional offices, including Greenpeace East Asia. These entail:

- An elaborate environmental policy for each region;
- Appointing an environmental program and policy manager;
- Setting greenhouse gas reduction targets;
- Emissions monitoring and reporting;
- Sustainable procurement policy;
- Sustainable office plan to reduce energy use;
- Waste Management in order to reduce waste production;
- Sustainable Travel;
- Sustainable Food.

Greenpeace East Asia has its own green initiatives but is also constantly developing and implementing new environmentally friendly initiatives to meet the global standard of environmental management. Some examples of these environmental management initiatives are:

100% Renewable Electricity Purchasing Policy

Under this policy, Greenpeace East Asia commits to source all its electricity needs from renewable energy sources, where it is available in the market. This applies to direct electricity purchases for offices and in house IT services and wherever possible all ICT outsourced hosting services provided by companies.

Global textile procurement policy

The objective of this policy is to ensure that all cotton based textile products made for use by Greenpeace have minimal environmental impact and are procured in line with the organisation's core values. The textiles include those made for campaign and mobilisation purposes; those made for activists taking part in activities; and work clothes made for the crew and volunteers on-board the Greenpeace ships.

Emissions Reporting

Greenpeace East Asia is monitoring CO2 emissions and compiles the annual CO2 emissions report. This report is used to compare the levels of emissions with previous years for monitoring and evaluation purposes. Based on the outcome, suggestions are made on how to minimize our emissions as much as we practically can in order to reduce our global environmental footprint.

Travel policy

The Greenpeace East Asia travel policy states that every journey should be essential and arranged as environmentally friendly as possible. Staff should use public transport where possible and practical. Taxis and private cars should in general only be used where there would be significant savings in time and money, or when carrying excessive amounts of luggage that would be cumbersome to take on public transport. For travel within Europe, transport by train is the preferred option.

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Greenhouse gas (GHG) emissions

The historic and current status of Greenpeace East Asia's GHG emissions depicted in the table below is based on the current Defra emission factors; by applying the Defra factors retrospectively to previous year's data we made the comparison consistent. The items that are not relevant to our operation (no emission recorded) are not presented in the table.

East Asia	Emitters (tCO ₂ e)	FY 2018	FY2019	FY 2020
Scope 2	Indirect Emissions for Office Electricity	139.21	165.09	82.45
	Subtotal	139.21	165.09	82.45
Scope 3	Indirect Emissions for Air Travel			
	• Short haul	5.48	1.77	0.75
	• Medium haul	391.93	326.37	35.58
	• Long haul	592.19	482.85	91.39
	Indirect Emissions for Business (train, bus, taxi etc) Travel	54.84	71.92	43.63
	Indirect Emissions for Office Electricity	27.24	32.3	16.13
	Indirect Emissions for Paper consumption	15.17	8.08	15.99
	Subtotal	1,086.85	923.29	203.47
Grand Total (tCO₂e)		1,226.06	1,088.38	285.92

The emission figures decreased by 74%, 802.46 tCO₂e due to the impact of COVID-19, the constraint of business activities and office operation. It is worth to note that renewable energy became available in the Hong Kong market and the purchase of renewable energy from the Hong Kong office contributed to the decrease of emission.



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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF GREENPEACE EAST ASIA
(綠色和平)**

(Incorporated in Hong Kong with limited guarantee)

Opinion

We have audited the consolidated financial statements of Greenpeace East Asia (the "Company") and its subsidiaries (together the "Group") set out on pages 13 to 35, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of income and expenditure, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the HKICPA's "Code of Ethics for Professional Accountants" (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The consolidated financial statements of the Company for the year ended 31 December 2019 were audited by another auditor who expressed an unmodified opinion on these financial statements on 31 March 2020.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF GREENPEACE EAST ASIA
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(Incorporated in Hong Kong with limited guarantee)

Other Information

The council members are responsible for the other information. The other information comprises the information included in the report of the council of members and business review, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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.

Council Members' Responsibilities for the Consolidated Financial Statements

The council members are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the council members determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the council members are responsible for assessing the Group'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 council members either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The council members are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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. This report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF GREENPEACE EAST ASIA
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Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council members.
- conclude on the appropriateness of the council members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF GREENPEACE EAST ASIA
(綠色和平)**

(Incorporated in Hong Kong with limited guarantee)

We communicate with the council members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Limited
Certified Public Accountants

Wendy W.Y. Fong
Practising Certificate Number: P06821

Hong Kong, 28 April 2021

GREENPEACE EAST ASIA
(綠色和平)
CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 HK\$	2019 HK\$
Income			
Fundraising income:			
Existing donor contribution income		198,691,239	168,654,959
New donor contribution income		45,844,529	41,303,805
Foundations and trusts, major gift income		9,968,071	11,578,002
Contributions from Greenpeace International		64,016,171	72,630,306
Interest income		76,853	113,443
Sundry income		230,140	55,608
	5	<u>318,827,003</u>	<u>294,336,123</u>
Expenditure			
Fundraising and supporter development expenses			
New supporter outreach		56,341,124	51,463,775
Supporter information and mobilisation		6,600,468	5,911,248
Supporter care and development		3,532,466	3,269,592
Supporter database, licenses and management		6,387,357	4,401,090
Fundraising staff and coordination		8,393,165	8,841,119
		<u>81,254,580</u>	<u>73,886,824</u>
Program activities			
Contributions to Greenpeace International for global activities		29,476,818	28,902,703
Oceans		12,192,523	12,293,697
Forests		5,635,519	7,910,461
Food and agriculture		-	3,967,448
Good life		17,994,516	17,051,586
Climate and energy		48,686,319	48,333,085
Oil		2,639,329	108,145
Other issues		6,117,604	9,095,045
Media and communications		20,430,020	20,752,634
Public information and outreach		4,080,371	4,302,707
Marine operations and action support		7,316,550	5,984,453
Engagement (digital, online and offline)		4,505,481	-
Political, science and business		13,776,133	11,943,780
		<u>34,068,893</u>	<u>47,168,813</u>
Organisational support expenses		<u>288,174,656</u>	<u>291,701,381</u>
Surplus for the year	6	<u>30,652,347</u>	<u>2,634,742</u>

GREENPEACE EAST ASIA
(綠色和平)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 HK\$	2019 HK\$
Surplus for the year		30,652,347	2,634,742
Other comprehensive income:			
Items that will not be reclassified to income and expenditure account:			
Exchange differences on translation of foreign operations		510,471	2,367,996
Remeasurement of net defined benefit liability	13(b)	<u>(7,939)</u>	<u>88,139</u>
Other comprehensive income for the year		<u>502,532</u>	<u>2,456,135</u>
Total comprehensive income for the year		<u>31,154,879</u>	<u>5,090,877</u>

GREENPEACE EAST ASIA
(綠色和平)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Notes	2020 HK\$	2019 HK\$
Non-current assets			
Property, plant and equipment	9	9,883,728	9,051,192
Rental and other deposits		<u>12,534,206</u>	<u>11,997,162</u>
		<u>22,417,934</u>	<u>21,048,354</u>
Current assets			
Other receivables	10	17,814,437	7,687,998
Prepayments		7,153,408	3,974,060
Fixed deposits		10,076,659	6,612,149
Cash and cash equivalents		<u>72,246,438</u>	<u>65,938,363</u>
		<u>107,290,942</u>	<u>84,212,570</u>
Current liabilities			
Accounts and other payables	11	13,648,939	16,587,774
Loans from Greenpeace International	12	<u>5,473,217</u>	<u>5,339,906</u>
		<u>19,122,156</u>	<u>21,927,680</u>
NET CURRENT ASSETS		<u>88,168,786</u>	<u>62,284,890</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>110,586,720</u>	<u>83,333,244</u>
Non-current liabilities			
Loans from Greenpeace International	12	5,385,992	10,357,150
Net defined benefit liability	13(a)	<u>7,291,847</u>	<u>6,222,092</u>
		<u>12,677,839</u>	<u>16,579,242</u>
NET ASSETS		<u>97,908,881</u>	<u>66,754,002</u>
Representing			
Exchange reserve		4,656,614	4,146,143
Accumulated surplus		<u>93,252,267</u>	<u>62,607,859</u>
TOTAL EQUITY		<u>97,908,881</u>	<u>66,754,002</u>

These financial statements are approved and authorised for issue by the council of members on 28 April 2021



Wong Kit Sum
Council member



Nam Boo-won
Council member

GREENPEACE EAST ASIA
(綠色和平)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Exchange reserve HK\$	Accumulated surplus HK\$	Total HK\$
At 1 January 2019	1,778,147	59,884,978	61,663,125
Surplus for the year	-	2,634,742	2,634,742
Other comprehensive income:			
Exchange difference on translation of foreign operations	2,367,996	-	2,367,996
Remeasurement of net defined benefit liability	-	88,139	88,139
Total comprehensive income for the year	<u>2,367,996</u>	<u>2,722,881</u>	<u>5,090,877</u>
At 31 December 2019 and 1 January 2020	<u>4,146,143</u>	<u>62,607,859</u>	<u>66,754,002</u>
Surplus for the year	-	30,652,347	30,652,347
Other comprehensive income:			
Exchange difference on translation of foreign operations	510,471	-	510,471
Remeasurement of net defined benefit liability	-	(7,939)	(7,939)
Total comprehensive income for the year	<u>510,471</u>	<u>30,644,408</u>	<u>31,154,879</u>
As at 31 December 2020	<u>4,656,614</u>	<u>93,252,267</u>	<u>97,908,881</u>

GREENPEACE EAST ASIA
(綠色和平)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Surplus for the year	30,652,347	2,634,742
Adjustments for:		
Write off of property, plant and equipment	900	-
Gain on disposal of property, plant and equipment	-	(2,838)
Depreciation	5,471,470	6,525,816
Interest income	(76,853)	(113,443)
Interest expenses on loans from Greenpeace International	47,509	67,215
Unrealised exchange loss/(gain) on loans from Greenpeace International	496,116	(249,596)
	<u>36,591,489</u>	<u>8,861,896</u>
Operating surplus before working capital changes		
Changes in working capital:		
Increase in deposits and other receivables	(10,663,483)	(3,662,271)
(Increase)/decrease in prepayments	(3,179,348)	2,494,748
Decrease in other payables	(2,938,835)	(10,168,276)
Increase in net defined benefit liability	681,291	1,010,967
	<u>20,491,114</u>	<u>(1,462,936)</u>
Cash generated from/(used in) operations		
Interest received	76,853	113,443
	<u>20,567,967</u>	<u>(1,349,493)</u>
Net cash generated from/(used in) operating activities		
Cash flows from investing activities		
Purchases of property, plant and equipment	(5,980,305)	(4,747,991)
Proceeds from disposal of property, plant and equipment	-	10,637
	<u>(5,980,305)</u>	<u>(4,737,354)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Loans from Greenpeace International	-	2,720,000
Repayment to Greenpeace International	(5,381,472)	(4,858,111)
	<u>(5,381,472)</u>	<u>(2,138,111)</u>
Net cash used in financing activities		
Net increase/(decrease) in cash and cash equivalents	9,206,190	(8,224,958)
Cash and cash equivalents at the beginning of the year	72,550,512	78,365,901
Effect of foreign exchange rate changes	566,395	2,409,569
	<u>82,323,097</u>	<u>72,550,512</u>
Cash and cash equivalents at the end of the year		
Analysis of the balances of cash and cash equivalents		
Fixed deposits with original maturity of three months	10,076,659	6,612,149
Cash and cash equivalents	72,246,438	65,938,363
	<u>82,323,097</u>	<u>72,550,512</u>

GREENPEACE EAST ASIA
(綠色和平)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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1. GENERAL INFORMATION

Greenpeace East Asia (the "Company") is a non-profit making company incorporated in Hong Kong. The address of its registered office and principal place of business is 10/F, Stelux House, 698 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong.

The Company and its subsidiaries (collectively known as the "Group") are principally engaged in promoting, encouraging, further establishing, procuring and achieving the protection of wildlife, eliminating threats and damage to the environment and all other objectives of the Greenpeace International.

The Company has no issued share capital and is limited by guarantee. The liability of its members is limited to HK\$20 per member in the event of the Company being wound up while he/she is a member, or within one year after he/she ceases to be a member.

2. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the provisions of the Hong Kong Companies Ordinance which concern the preparation of financial statements.

(b) Basis of measurement

They have been prepared under the historical cost convention.

(c) Functional and presentation currency

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

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3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (the “Group”). Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

(b) Investments in subsidiaries

Subsidiaries are entities over which the Company is able to exercise control. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Investments in subsidiaries are stated in the Company’s statement of financial position at cost less impairment loss, if any. Income from subsidiaries is recognised in the Company’s financial statements when the shareholder’s right to receive payment is established.

(c) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

Fundraising income is recognised when the right to receive payment is established. The recognition and measurement of contributions is determined by the performance conditions. When no performance obligation is included, the contributions are recognised as income when proceeds are receivable. However, when future performance conditions are included, the contributions are only recognised as income when the performance conditions are met.

Interest income is recognised on a time proportion basis using effective interest rate.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its present working condition and location for its intended use. Expenditure incurred after the asset has been put into operation, such as repairs and maintenance and overhaul costs, is charged to profit or loss in the year in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the assets, the expenditure is capitalised as an additional cost of the asset.

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3. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(d) Property, plant and equipment (continued)

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, using the straight-line method. The principal annual rates are as follows:

Leasehold improvements	33 1/3%
Computer equipment	33 1/3 %
Office equipment	25%
Actions equipment	33 1/3 %
Furniture and fixtures	20%

The estimated residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of the asset.

The gain or loss arising from the disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in income and expenditure account.

(e) Impairment of assets (other than financial assets)

At the end of each reporting period, the Group reviews the carrying amounts of property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss or impairment loss previously recognised no longer exists or may have decreased.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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3. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(e) Impairment of assets (continued)

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income and expenditure account.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in income and expenditure account.

(f) Government grants

Government grants are recognised at their fair value where the grants are receivable and all attaching conditions will be compelled with. When the grant relates to an expense item, it is recognised as deduction in related expense, for which it is intended to compensate, on a systematic basis over the periods that the losses are expensed.

(g) Leases

The Group as lessee

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the year in which they are incurred. Lease incentives received are recognised as an integrated part of the total rental expense over the term of the lease.

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3. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(h) Employee benefits

(i) Short term benefits

Salaries, annual bonuses, paid annual leaves and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

(ii) Pension obligations

A defined contribution retirement plan is a pension plan under which the Group pays fixed contributions into a separate entity.

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. Contributions are made based on a percentage of the employees' basic salaries to the maximum mandatory contributions as required by the MPF Scheme. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short-term nature. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

Obligations for contributions to defined contribution retirement plans are recognised as an expense in income and expenditure account as incurred.

A subsidiary of the Group in Taiwan has a defined contribution scheme governed by the Taiwan Labor Pension Act. Under the scheme, a subsidiary of the Group in Taiwan contributes monthly to the Bureau of Labour Insurance on certain percentage of the payroll of the employees who choose to participate in the scheme. Contributions to the scheme vest immediately.

Employees of the Group's subsidiary in Korea are required to participate in defined benefit retirement benefit plan. The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period.

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3. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(h) Employee benefits

(ii) Pension obligations (continued)

Remeasurement (i.e. actuarial gains and losses) is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in accumulated surplus and will not be reclassified to income and expenditure account. Past service cost is recognised in income and expenditure account in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability. Defined benefit costs are composed of service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements), net interest expense (income), and remeasurement.

The Group presents the service cost and net interest expense (income) components in income and expenditure account, and the remeasurement component in other comprehensive income. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

(iii) Termination benefits

Termination benefits are recognised on the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

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3. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(i) Receivables

Receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is any objective evidence that the Group will not be able to collect all amounts due according to the terms of the receivables. If there is such evidence, an impairment loss is recognised immediately in income and expenditure account.

(j) Foreign currency translation

Transactions entered into by the Group in currencies other than the currency of the primary economic environment in which it operates (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in income and expenditure account in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in income and expenditure account for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which cases, the exchange differences are also recognised in other comprehensive income.

On consolidation, income and expenses items of overseas operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rate approximating to those ruling when the transactions took place are used. All assets and liabilities of overseas operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as exchange reserve. Exchange differences recognised in income and expenditure account of group entities’ separate financial statements on the translation of long-term monetary items forming part of the Group’s net investment in the overseas operation concerned are reclassified to other comprehensive income and accumulated in equity as exchange reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the exchange reserve relating that operation up to the date of disposal are not reclassified to income and expenditure account.

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3. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(k) Provision and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(l) Related parties

a) A person or a close member of that person's family is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group; or

b) An entity is related to the Group if any of the following conditions apply:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) The entity is controlled or jointly controlled by a person identified in (a) above;
- (vii) A person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group.

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3. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(l) Related parties (continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

(m) Payables

Payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest rate.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the council members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that period, or in the year of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Defined benefit plan

The Group's defined benefit obligation is determined based on the actuarial valuation carried out at the end of each reporting period. Actuarial assumptions are the Group's best estimates of the variables in determining the cost of providing post-retirement benefits such as discount rates, rates of expected future salary increase and mortality rates. Significant estimation uncertainty is likely to persist in making such assumptions due to the long-term nature of post-retirement benefit plan.

5. REVENUE AND OTHER INCOME

Revenue represents fund raised during the year. An analysis of the Group's revenue and other revenue is set out below:

	2020 HK\$	2019 HK\$
Revenue		
Fundraising income		
Existing donor contribution income	198,691,239	168,654,959
New donor contribution income	45,844,529	41,303,805
Foundations and trusts, major gift income	9,968,071	11,578,002
	<u>254,503,839</u>	<u>221,536,766</u>
Other revenue and income		
Contributions from Greenpeace International	64,016,171	72,630,306
Interest income	76,853	113,443
Sundry Income	230,140	55,608
	<u>64,323,164</u>	<u>72,799,357</u>
Total	<u><u>318,827,003</u></u>	<u><u>294,336,123</u></u>

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6. SURPLUS FOR THE YEAR

	2020 HK\$	2019 HK\$
Surplus for the year is arrived at after charging/ (crediting):		
Staff costs		
- Salaries and allowances (<i>Note</i>)	128,578,080	136,802,365
- Contributions to defined contribution schemes	3,478,716	4,778,946
- Defined benefit cost (<i>Note 13(b)</i>)	2,454,844	1,911,734
	<u>134,511,640</u>	<u>143,493,045</u>
Depreciation	5,471,470	6,525,816
Interest expenses on loans from Greenpeace International	47,509	67,215
Minimum lease payments paid under operating leases	18,012,406	18,747,124
Write off of property, plant and equipment	900	-
Gain on disposal of property, plant and equipment	<u>-</u>	<u>(2,838)</u>

Note: For the year ended 31 December 2020, the Group obtained government grants of HK\$5,133,063 (2019: Nil) from Employment Support Scheme (“ESS”) under the Anti-epidemic Fund launched by the Hong Kong SAR Government supporting the payroll of the Group’s employees. Under the ESS, the Group had to commit to spend these grants on payroll expenses, and not reduce employee head count below prescribed levels for a specified period. The Group does not have other unfulfilled obligations relating to this program.

For the year ended 31 December 2020, the government grants of HK\$ 5,133,063 obtained from ESS have been deducted in related salaries and allowances, for which the government grants intended to compensate.

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7. COUNCIL MEMBERS AND SENIOR MANAGEMENT TEAM PERSONNEL REMUNERATION

No council members received any fees or other emoluments in respect of their services rendered to the Group during the current and prior years, which are required to disclose pursuant to Section 383 of the Hong Kong Companies Ordinance (Cap.622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap.622G).

The senior management team consists of the Executive Director, Deputy Executive Director, Program Director, Organisational Support and Regional Development Director and Finance Director. The senior management team covers the management of 400 staff in the regional offices of the Company in Hong Kong, Beijing, Taipei and Seoul. Details of emoluments paid by the Group to the council members during the year are as follows:

	2020 HK\$	2019 HK\$
Salaries and allowance	7,890,442	7,396,837
Contributions to defined contribution schemes	142,250	96,722
Defined benefit cost	8,360	13,082
	<u>8,041,052</u>	<u>7,506,641</u>

8. TAXATION

No provision for Hong Kong profits tax has been made in these consolidated financial statements as the Company is exempted from tax under Section 88 of the Inland Revenue Ordinance.

For the year ended 31 December 2020, all the Group's subsidiaries are exempt from overseas profits tax under local tax laws.

For the year ended 31 December 2019, no tax provision had been made for Greenpeace (Beijing) Consultancy Company Limited of Environment, as it sustained tax loss during the year. The Group's other subsidiaries were exempt from overseas profits tax under local tax laws.

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9. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK\$	Computer equipment HK\$	Office equipment HK\$	Actions equipment HK\$	Furniture and fixtures HK\$	Total HK\$
Cost:						
1 January 2020	13,655,791	12,555,977	3,974,614	5,045,889	3,633,104	38,865,375
Additions	2,390,270	2,724,851	746,525	118,659	-	5,980,305
Write off	-	(442,861)	-	-	-	(442,861)
Exchange adjustments	466,917	177,641	131,259	71,804	72,091	919,712
At 31 December 2020	<u>16,512,978</u>	<u>15,015,608</u>	<u>4,852,398</u>	<u>5,236,352</u>	<u>3,705,195</u>	<u>45,322,531</u>
Accumulated depreciation:						
1 January 2020	11,042,945	9,265,755	2,887,738	4,569,341	2,048,404	29,814,183
Charge for the year	1,881,654	2,131,850	580,955	196,776	680,235	5,471,470
Write off	-	(441,961)	-	-	-	(441,961)
Exchange adjustments	263,901	129,662	93,825	58,221	49,502	595,111
At 31 December 2020	<u>13,188,500</u>	<u>11,085,306</u>	<u>3,562,518</u>	<u>4,824,338</u>	<u>2,778,141</u>	<u>35,438,803</u>
Net Book value:						
At 31 December 2020	<u>3,324,478</u>	<u>3,930,302</u>	<u>1,289,880</u>	<u>412,014</u>	<u>927,054</u>	<u>9,883,728</u>

GREENPEACE EAST ASIA
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10. OTHER RECEIVABLES

	2020 HK\$	2019 HK\$
Other receivables	10,444,558	1,257,494
Amount due from Greenpeace International (Note)	<u>7,369,879</u>	<u>6,430,504</u>
	<u>17,814,437</u>	<u>7,687,998</u>

Note: The amount due is unsecured, interest-free and repayable on demand.

11. ACCOUNTS AND OTHER PAYABLES

	2020 HK\$	2019 HK\$
Accounts and other payables	13,625,294	14,955,097
Amounts due to other national offices under control of Greenpeace International (Note)	23,645	87,019
Amount due to Greenpeace International (Note)	<u>-</u>	<u>1,545,658</u>
	<u>13,648,939</u>	<u>16,587,774</u>

Note: The amounts due are unsecured, interest-free and repayable on demand.

12. LOANS FROM GREENPEACE INTERNATIONAL

The amounts due are interest bearing at a range from 0.25% to 0.75% (2019: 0.25% to 0.75%) per annum, unsecured and repayable as follows:

	2020 HK\$	2019 HK\$
Within one year	5,473,217	5,339,906
Between two and five years	<u>5,385,992</u>	<u>10,357,150</u>
	<u>10,859,209</u>	<u>15,697,056</u>

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13. NET DEFINED BENEFIT LIABILITY

- (a) As at 31 December 2020 and 2019, amounts recognised in the consolidated statement of financial position in relation to retirement benefit obligation are as follows:

	2020 HK\$	2019 HK\$
Present value of defined benefit obligation	7,291,847	6,222,092
Fair value of plan assets	-	-
Retirement benefit obligation (net)	<u>7,291,847</u>	<u>6,222,092</u>

- (b) Changes in the present value of defined benefit obligation for the years ended 31 December 2020 are as follows:

	31 December 2020		
	Present value of defined benefit obligation HK\$	Fair value of Plan assets HK\$	Total HK\$
At 1 January 2020	6,222,092	-	6,222,092
Defined benefit costs recognised in income and expenditure account:			
Current service cost	2,301,907	-	2,301,907
Interest expense	152,937	-	152,937
Subtotal	<u>2,454,844</u>	-	<u>2,454,844</u>
Defined benefit cost recognised in other comprehensive income			
Actuarial loss from demographic assumptions	(77,536)	-	(77,536)
Actuarial gain from experience adjustment	85,475	-	85,475
Subtotal	<u>7,939</u>	-	<u>7,939</u>
Contribution benefits paid	<u>(1,773,553)</u>	-	<u>(1,773,553)</u>
Exchange adjustments	<u>380,525</u>	-	<u>380,525</u>
At 31 December 2020	<u>7,291,847</u>	-	<u>7,291,847</u>

- (c) Key actuarial assumptions used as at 31 December 2020 and 2019 are as follows:

	2020	2019
Discount rate	2.53%	2.45%
Expected rate of salary increase	4.11%	4.23%

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14. COMMITMENTS

As at 31 December 2020, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	2020 HK\$	2019 HK\$
Within one year	17,425,759	9,597,573
In the second to fifth year inclusive	<u>17,538,890</u>	<u>17,527,023</u>
	<u>34,964,649</u>	<u>27,124,596</u>

Operating lease payments represented rental payables by the Group on its office premises and warehouses. The lease arrangements of office premises and warehouses were initially negotiated at fixed rental for terms of one to five years or one to ten years respectively.

Except operating lease commitment disclosed above, the Group has no major capital commitments outstanding at the end of the reporting period.

15. RELATED PARTY TRANSACTIONS

Saved as disclosed elsewhere in these financial statements, the Group had no other material transactions and outstanding balances with related parties during the years ended 31 December 2020 and 2019 or as at these dates.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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16. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Notes	2020 HK\$	2019 HK\$
Non-current asset			
Property, plant and equipment		4,377,768	5,209,027
Rental and other deposits		9,644,267	9,134,590
Investments in subsidiaries	16(a)	5,013,350	5,263,500
Loan to a subsidiary		<u>51,993,228</u>	<u>49,815,305</u>
		<u>71,028,613</u>	<u>69,422,422</u>
Current assets			
Other receivables		7,791,596	7,069,637
Prepayments		5,989,862	2,967,987
Fixed deposits		1,363,039	1,307,524
Cash and cash equivalents		<u>25,796,433</u>	<u>11,286,948</u>
		<u>40,940,930</u>	<u>22,632,096</u>
Current liabilities			
Trade and other payables		10,145,229	10,540,593
Loans from Greenpeace International		<u>5,473,217</u>	<u>5,339,906</u>
		<u>15,618,446</u>	<u>15,880,499</u>
NET CURRENT ASSETS		<u>25,322,484</u>	<u>6,751,597</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		96,351,097	76,174,019
Non-current liabilities			
Loans from Greenpeace International		<u>5,385,992</u>	<u>10,357,150</u>
NET ASSETS		<u>90,965,105</u>	<u>65,816,869</u>
Representing:			
Accumulated surplus	16(b)	<u>90,965,105</u>	<u>65,816,869</u>

Approved and authorised for issue by the council of members on 28 April 2021



Wong Kit Sum
Council member



Nam Boo-won
Council member

GREENPEACE EAST ASIA
(綠色和平)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2020

16. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Notes:

(a) Investments in subsidiaries

	2020 HK\$	2019 HK\$
Unlisted equity, at cost	<u>5,013,350</u>	<u>5,263,500</u>

Details of the subsidiaries are as follows:

The company	Place of establishment and operation	Particulars of registered and paid-up capital	Effective percentage of equity holding
Greenpeace (Beijing) Consultancy Company Limited of Environment	The People's Republic of China	Nil (2019: HK\$250,150)	Deregistered (2019: 100%)
財團法人綠色和平基金會	Taiwan	TWD5,000,000	100%
Greenpeace Foundation	South Korea	KRW500,000,000	100%

Principal activities of 財團法人綠色和平基金會 and Greenpeace Foundation (South Korea) are the same as the Company's as disclosed in Note 1.

Principal activity of Greenpeace (Beijing) Consultancy Company Limited of Environment was provision of consultancy service for environmental friendly product, technical service, training, planning and solution for environmental protection.

(b) Reserve

	Accumulated surplus HK\$
At 1 January 2019	49,746,504
Total comprehensive income for the year	<u>16,070,365</u>
At 31 December 2019 and 1 January 2020	65,816,869
Total comprehensive income for the year	<u>25,148,236</u>
At 31 December 2020	<u>90,965,105</u>

17. COMPARATIVE FIGURES

Rental and other deposits of HK\$11,997,162 previously classified as current assets as at 31 December 2019 have been reclassified as non-current assets to conform with current year's presentation.