

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**Astrum Financial Holdings Limited**

**阿仕特朗金融控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8333)**

## **THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2019**

### **CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This announcement, for which the directors (the “Directors”) of Astrum Financial Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material aspects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

## SUMMARY

- Revenue for the nine months ended 30 September 2019 amounted to approximately HK\$40.6 million while revenue for the nine months ended 30 September 2018 amounted to approximately HK\$22.8 million.
- Profit and total comprehensive income attributable to owners of the Company for the nine months ended 30 September 2019 amounted to approximately HK\$12.7 million while profit and total comprehensive income attributable to owners of the Company for the nine months ended 30 September 2018 amounted to approximately HK\$3.9 million.
- Basic earnings per share for the nine months ended 30 September 2019 amounted to approximately HK1.59 cents while basic earnings per share for the nine months ended 30 September 2018 amounted to approximately HK0.49 cents.
- At a board meeting of the Company held on 7 May 2019, the board of Directors (the “**Board**”) declared an interim dividend (“**Q1 Dividend**”) of HK\$0.005 per share for the three months ended 31 March 2019 (three months ended 31 March 2018: HK\$0.005 per share), amounting to HK\$4.0 million (three months ended 31 March 2018: HK\$4.0 million). Such declared Q1 Dividend in the total amount of HK\$4.0 million was paid to the shareholders of the Company on 13 June 2019.
- At a board meeting of the Company held on 6 August 2019, the Board declared an interim dividend (“**Q2 Dividend**”) of HK\$0.005 per share for the three months ended 30 June 2019 (three months ended 30 June 2018: HK\$0.005 per share), amounting to HK\$4.0 million (three months ended 30 June 2018: HK\$4.0 million). Such declared Q2 Dividend in the total amount of HK\$4.0 million was paid to the shareholders of the Company on 9 September 2019.
- At a board meeting of the Company held on 6 November 2019, the Board declared an interim dividend (“**Q3 Dividend**”) of HK\$0.005 per share for the three months ended 30 September 2019 (three months ended 30 September 2018: HK\$0.005 per share), amounting to HK\$4.0 million (three months ended 30 September 2018: HK\$4.0 million). Such declared Q3 Dividend in the total amount of HK\$4.0 million has not been recognised as a liability as at 30 September 2019.

## UNAUDITED CONDENSED CONSOLIDATED THIRD QUARTERLY RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2019

The board of Directors (the “**Board**”) of the Company is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the three months and nine months ended 30 September 2019 together with the comparative unaudited figures for the corresponding periods in 2018 as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the three months and nine months ended 30 September 2019*

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2019 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)
Revenue	3	8,066	9,811	40,649	22,791
Other income	4	238	70	614	314
Impairment losses		(268)	–	(268)	–
Administrative and other operating expenses		(6,073)	(5,575)	(26,033)	(18,411)
Finance costs		(79)	(18)	(255)	(272)
Profit before tax	5	1,884	4,288	14,707	4,422
Income tax expense	6	(300)	(395)	(2,000)	(495)
<b>Profit and total comprehensive income for the period</b>		<b>1,584</b>	<b>3,893</b>	<b>12,707</b>	<b>3,927</b>
<b>Profit and total comprehensive income for the period attributable to</b>					
– Owners of the Company		1,584	3,893	12,725	3,927
– Non-controlling interests		–	–	(18)	–
		<b>1,584</b>	<b>3,893</b>	<b>12,707</b>	<b>3,927</b>
<b>Earnings per share</b>					
– Basic and diluted ( <i>HK cents</i> )	8	<b>0.20</b>	0.49	<b>1.59</b>	0.49

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*For the nine months ended 30 September 2019*

	Attributable to owners of the Company				Total	Non- controlling interests	Total equity
	Share capital	Share premium	Special reserve	Retained profits			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Nine months ended 30 September 2018</b>							
Balance at 1 January 2018 (Audited)	8,000	77,179	38,401	49,466	173,046	–	173,046
Profit and total comprehensive income for the period	–	–	–	3,927	3,927	–	3,927
Dividends recognised as distribution during the period ( <i>Note 7</i> )	–	–	–	(8,000)	(8,000)	–	(8,000)
Balance at 30 September 2018 (Unaudited)	<u>8,000</u>	<u>77,179</u>	<u>38,401</u>	<u>45,393</u>	<u>168,973</u>	<u>–</u>	<u>168,973</u>
<b>Nine months ended 30 September 2019</b>							
Balance at 1 January 2019 (Audited)	8,000	77,179	38,401	59,951	183,531	–	183,531
Profit and total comprehensive income for the period	–	–	–	12,725	12,725	(18)	12,707
Capital contribution from non-controlling interests	–	–	–	–	–	1	1
Dividends recognised as distribution during the period ( <i>Note 7</i> )	–	–	–	(8,000)	(8,000)	–	(8,000)
Balance at 30 September 2019 (Unaudited)	<u>8,000</u>	<u>77,179</u>	<u>38,401</u>	<u>64,676</u>	<u>188,256</u>	<u>(17)</u>	<u>188,239</u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the nine months ended 30 September 2019*

### 1. GENERAL INFORMATION

Astrum Financial Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 13 January 2015 as an exempted company with limited liability. The shares of the Company are listed on GEM of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its parent and ultimate holding company is Autumn Ocean Limited, a company incorporated in the British Virgin Islands (the “**BVI**”) and wholly-owned by Mr. Pan Chik (“**Mr. Pan**”), the controlling shareholder, an executive director and the chairman of the Company.

The address of the registered office of the Company is PO Box 1350 Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands and the address of the principal place of business is Room 2704, 27/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) is principally engaged in the provision of brokerage services, placing and underwriting services, corporate finance advisory services, financing services including securities and initial public offering financing and asset management services.

The unaudited condensed consolidated financial statements of the Group are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company.

### 2. BASIS OF PREPARATION

The Group’s unaudited condensed consolidated financial statements for the nine months ended 30 September 2019 have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements under Chapter 18 of the GEM Listing Rules. The unaudited condensed consolidated financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2018.

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements for the nine months ended 30 September 2019 are consistent with those adopted in the Group’s annual financial statements for the year ended 31 December 2018, except in relation to the adoption of the new and revised HKFRSs (the “**New and Revised HKFRSs**”) issued by the HKICPA that are relevant to its operations and effective for its accounting beginning on 1 January 2019.

The adoption of these New and Revised HKFRSs in the current period has had no material impact on the Group’s financial performance and position for the current and prior periods and/or disclosure set out in the unaudited condensed consolidated financial statements.

## HKFRS 16 Leases

HKFRS 16 supersedes HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model.

The Group has applied HKFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained profits as at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated – i.e. it is presented, as previously reported, under HKAS 17 and related interpretations. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option, and lease contracts for which the underlying asset is of low value. The application has no material effect on the amounts reported during the nine months ended 30 September 2019.

The Group has not early adopted the following New and Revised HKFRSs that have been issued but are not yet effective.

HKFRS 17	Insurance Contracts <sup>3</sup>
Amendments to HKFRS 3	Definition of a Business <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Amendments to HKAS 1 and HKAS 8	Definition of Material <sup>2</sup>

<sup>1</sup> *Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020*

<sup>2</sup> *Effective for annual periods beginning on or after 1 January 2020*

<sup>3</sup> *Effective for annual periods beginning on or after 1 January 2021*

<sup>4</sup> *Effective for annual periods beginning on or after a date to be determined*

The Group is in the process of making an assessment of the impact for those New and Revised HKFRSs, which are not yet effective, upon initial application but is not yet in a position to state whether these New and Revised HKFRSs would have a significant impact on the Group's results of operation and financial position.

The unaudited condensed consolidated financial statements have been prepared under the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of the unaudited condensed consolidated financial statements in conformity with the HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The unaudited condensed consolidated financial statements are unaudited, but have been reviewed by the audit committee of the Company. The unaudited condensed financial statements were approved by the Board for publication on 6 November 2019.

### 3. REVENUE

The Group's revenue for the three months and nine months ended 30 September 2019 and 2018 are as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2019 <i>HK\$'000</i> (Unaudited)	2018 <i>HK\$'000</i> (Unaudited)	2019 <i>HK\$'000</i> (Unaudited)	2018 <i>HK\$'000</i> (Unaudited)
Commission from brokerage services <sup>(i)</sup>	772	4,282	2,615	6,211
Placing and underwriting commission <sup>(i)</sup>	5,935	3,285	30,578	7,999
Corporate finance advisory services fee <sup>(ii)</sup>	150	1,330	3,980	4,680
Interest income from securities and initial public offering financing	885	602	2,511	2,217
Asset management services <sup>(ii)</sup>				
– Fund management and performance fee	324	312	965	1,684
	<b>8,066</b>	9,811	<b>40,649</b>	22,791

(i) Revenue recognised at a point in time

(ii) Revenue recognised over time

### 4. OTHER INCOME

	Three months ended 30 September		Nine months ended 30 September	
	2019 <i>HK\$'000</i> (Unaudited)	2018 <i>HK\$'000</i> (Unaudited)	2019 <i>HK\$'000</i> (Unaudited)	2018 <i>HK\$'000</i> (Unaudited)
Interest income from				
– banks	54	–	232	3
– others	11	1	23	3
Administrative services income	2	2	6	31
Management fee income	10	9	28	25
Handling fee income	161	58	325	252
	<b>238</b>	70	<b>614</b>	314

## 5. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

	Three months ended		Nine months ended	
	30 September		30 September	
	2019	2018	2019	2018
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Auditors' remuneration	163	175	488	525
Commission expenses	3	26	6,559	48
Depreciation of property, plant and equipment	127	263	344	789
Depreciation of right-of-use assets	673	–	1,122	–
Impairment losses on trade receivables	268	–	268	–
Interest expense on bank overdrafts and borrowings	–	18	117	272
Interest expense on lease liabilities	79	–	138	–
Net foreign exchange loss	53	58	53	28
Operating lease payments in respect of rented premises	–	510	773	1,530
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Employee benefits expense:				
Salaries and other benefits in kind	3,623	3,084	11,362	10,329
Commission to accounts executives	170	90	639	335
Contributions to retirement benefit scheme	87	78	263	233
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total employee benefits expense, including directors' emoluments	<u>3,880</u>	<u>3,252</u>	<u>12,264</u>	<u>10,897</u>

## 6. INCOME TAX EXPENSE

	Three months ended		Nine months ended	
	30 September		30 September	
	2019	2018	2019	2018
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Hong Kong Profits Tax:				
– Current period	<u>300</u>	<u>395</u>	<u>2,000</u>	<u>495</u>

Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2,000,000 for the three months and nine months ended 30 September 2019 and 2018.



## 7. DIVIDENDS

	Three months ended		Nine months ended	
	30 September		30 September	
	2019	2018	2019	2018
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Dividends recognised as distribution during the period				
– Q1 Dividend of HK\$0.005 per ordinary share	–	–	4,000	4,000
– Q2 Dividend of HK\$0.005 per ordinary share	4,000	4,000	4,000	4,000
	<u>4,000</u>	<u>4,000</u>	<u>8,000</u>	<u>8,000</u>

At a board meeting of the Company held on 7 May 2019, the Board declared an interim dividend (“**Q1 Dividend**”) of HK\$0.005 per share for the three months ended 31 March 2019 (three months ended 31 March 2018: HK\$0.005 per share), amounting to HK\$4.0 million (three months ended 31 March 2018: HK\$4.0 million). Such declared Q1 Dividend in the total amount of HK\$4.0 million was paid to the shareholders of the Company on 13 June 2019.

At a board meeting of the Company held on 6 August 2019, the Board declared an interim dividend (“**Q2 Dividend**”) of HK\$0.005 per share for the three months ended 30 June 2019 (three months ended 30 June 2018: HK\$0.005 per share), amounting to HK\$4.0 million (three months ended 30 June 2018: HK\$4.0 million). Such declared Q2 Dividend in the total amount of HK\$4.0 million was paid to the shareholders of the Company on 9 September 2019.

At a board meeting of the Company held on 6 November 2019, the Board declared an interim dividend (“**Q3 Dividend**”) of HK\$0.005 per share for the three months ended 30 September 2019 (three months ended 30 September 2018: HK\$0.005 per share), amounting to HK\$4.0 million (three months ended 30 September 2018: HK\$4.0 million). Such declared Q3 Dividend in the total amount of HK\$4.0 million has not been recognised as a liability as at 30 September 2019.

## 8. EARNINGS PER SHARE

	Three months ended		Nine months ended	
	30 September		30 September	
	2019	2018	2019	2018
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Earnings</b>				
Profit for the period attributable to owners of the Company for the purpose of basic earnings per share	<u>1,584</u>	<u>3,893</u>	<u>12,725</u>	<u>3,927</u>
	Three months ended		Nine months ended	
	30 September		30 September	
	2019	2018	2019	2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Number of shares</b>				
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>800,000,000</u>	<u>800,000,000</u>	<u>800,000,000</u>	<u>800,000,000</u>

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary share in issue during the three months and nine months ended 30 September 2019 and 2018.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The Group is principally engaged in the provision of brokerage services, placing and underwriting services, corporate finance advisory services, financing services including securities and initial public offering (“**IPO**”) financing and asset management services. The Company was successfully listed on GEM of the Stock Exchange by way of share offer (the “**Share Offer**”) on 14 July 2016.

The financial results for the nine months ended 30 September 2019 (the “**Current Period**”) recorded a remarkable growth from the nine months ended 30 September 2018 (the “**Corresponding Period**”) as the Group completed ten placing and underwriting transactions with an aggregate revenue of approximately HK\$30.6 million. Revenue from financing services also recorded growth in the Current Period. However, revenue from brokerage services, corporate finance advisory services and asset management services recorded a drop.

### FINANCIAL REVIEW

#### Revenue

Revenue of the Group for the Current Period was approximately HK\$40.6 million as compared to approximately HK\$22.8 million for the Corresponding Period, representing an increase of approximately 78.1%. Such increase was mainly attributable to the increase in commission income from placing and underwriting services.

Commission from brokerage services decreased from approximately HK\$6.2 million for the Corresponding Period to approximately HK\$2.6 million for the Current Period, representing a decrease of approximately 58.1%. Such decrease was due to the relatively negative investment atmosphere in the local stock market during the Current Period.

Revenue derived from placing and underwriting services increased from approximately HK\$8.0 million for the Corresponding Period to approximately HK\$30.6 million for the Current Period, representing a significant increase of approximately 282.5%. During the Current Period, the Group completed ten placing and underwriting engagements as compared to eight placing and underwriting engagements in the Corresponding Period. The Group acted as the sole bookrunner and sole lead manager for two new listing companies during the Current Period which resulted in the significant increase in placing and underwriting commission.

Corporate finance advisory services fee decreased from approximately HK\$4.7 million for the Corresponding Period to approximately HK\$4.0 million for the Current Period, representing a decrease of approximately 14.9%. During the Current Period, the Group charged eight financial advisory engagements as compared to fifteen financial advisory engagements in the Corresponding Period.

Interest income from securities and IPO financing increased from approximately HK\$2.2 million for the Corresponding Period to approximately HK\$2.5 million for the Current Period, representing an increase of approximately 13.6%.

Asset management services fee decreased from approximately HK\$1.7 million for the Corresponding Period to approximately HK\$1.0 million for the Current Period, representing a decrease of approximately 41.2%. During the Current Period, the Group did not recognise any performance fee as the net asset value of Astrum Absolute Return China Fund did not surpass the high water mark achieved in 2018. During the Corresponding Period, the Group charged performance fee of approximately HK\$0.7 million.

### **Other income**

Other income increased from approximately HK\$314,000 for the Corresponding Period to approximately HK\$614,000 for the Current Period. Such increase was mainly due to the increase in interest income from banks and the increase in handling fee income, such as CCASS charges and scrip fees received from customers.

### **Administrative and other operating expenses**

Administrative and other operating expenses increased from approximately HK\$18.4 million for the Corresponding Period to approximately HK\$26.0 million for the Current Period, representing an increase of approximately 41.3%. Such increase was mainly due to (i) the increase in the total employee benefits expense from approximately HK\$10.9 million for the Corresponding Period to approximately HK\$12.3 million for the Current Period; and (ii) the increase in commission expenses in respect of the placing and underwriting services from approximately HK\$48,000 for the Corresponding Period to approximately HK\$6.6 million for the Current Period.

### **Finance costs**

The finance costs slightly decreased from approximately HK\$272,000 for the Corresponding Period to approximately HK\$255,000 for the Current Period.

### **PROFIT FOR THE PERIOD**

As a result of the foregoing, profit and total comprehensive income attributable to owners of the Company significantly increased from approximately HK\$3.9 million for the Corresponding Period to approximately HK\$12.7 million for the Current Period.

## **PROSPECTS**

Global economic growth remained at a weak pace in the first half of 2019. The International Monetary Fund (IMF) projected global economic growth at 3.0 percent for 2019, its lowest level since 2008–09 and a 0.3 percentage point downgrade from the April 2019 World Economic Outlook.

The US-China trade conflict and negotiations have dragged on for more than a year with no end in sight. Even with a trade deal, the unsettling relationship between the two largest economies in the world might become a new normal. Mainland China's economic development is at a critical stage as its economic transformation, structural reform and opening-up are entering deep-water zone. This is a necessary process to ensure its long-term healthy economic development, but its economic growth will be under pressure inevitably. Amid the weakening global economy, in particular as a result of the US-China trade war, as well as the social incidents in Hong Kong in recent months and the argument of Brexit arrangements, Hong Kong economy is facing serious downside risks and cast a shadow on the Hong Kong stock market. Notwithstanding the challenging and complex environment, the Group will stay alert of, and take appropriate actions in response to, the change in business environment in Hong Kong, with an aim of striving for sustained income and balanced growth.

Subsequent to 30 September 2019 and up to the date of this announcement, the Group had two corporate finance engagements in progress.

## **EVENT AFTER THE REPORTING PERIOD**

Subsequent to 30 September 2019 and up to the date of this announcement, there was no significant event relevant to the business or financial performance of the Group that came to the attention of the Directors.

## **INTERIM DIVIDEND**

At a board meeting of the Company held on 6 November 2019, the Board declared an interim dividend ("**Q3 Dividend**") of HK\$0.005 per share for the three months ended 30 September 2019 (three months ended 30 September 2018: HK\$0.005 per share), amounting to HK\$4.0 million (three months ended 30 September 2018: HK\$4.0 million). Such declared Q3 Dividend in the total amount of HK\$4.0 million has not been recognised as a liability as at 30 September 2019.

## OTHER INFORMATION

### INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 30 September 2019, the interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”) held by the Directors and chief executives of the Company (the “Chief Executives”) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register maintained by the Company pursuant to section 352 of the SFO, or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

#### Long position in ordinary shares of HK\$0.01 each of the Company

Name of Director	Capacity/Nature of interests	Number of shares held	Approximate percentage of shareholding (Note 2)
Mr. Pan (Note 1)	Interest of a controlled corporation	532,685,000	66.59%

#### Notes:

1. These 532,685,000 shares are held by Autumn Ocean Limited which is wholly owned by Mr. Pan and hence, Mr. Pan is deemed, or taken to be, interested in all the shares held by Autumn Ocean Limited for the purposes of the SFO.
2. The percentage is calculated on the basis of 800,000,000 shares in issue as at 30 September 2019.

Save as disclosed above, as at 30 September 2019, none of the Directors or Chief Executives had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or pursuant to section 352 of the SFO, which would have to be recorded in the register referred to therein, or pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, which would have to be notified to the Company and the Stock Exchange.

## INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS OF THE COMPANY IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors and the Chief Executives are aware, as at 30 September 2019, other than the Directors and Chief Executives, the following persons had or were deemed or taken to have an interest and/or short position in the shares or the underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO, or which would be, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group:

Name	Capacity/Nature of interests	Number of shares held/ interested in	Approximate percentage of shareholding (Note 2)
Ms. Liu Ming Lai Lorna (Note 1)	Interest of spouse	532,685,000	66.59%
Autumn Ocean Limited	Beneficial interest	532,685,000	66.59%

### Notes:

1. Ms. Liu Ming Lai Lorna is the spouse of Mr. Pan. She is deemed, or taken to be, interested in all shares in which Mr. Pan is interested in for the purposes of the SFO.
2. The percentage is calculated on the basis of 800,000,000 shares in issue as at 30 September 2019.

Save as disclosed above, as at 30 September 2019, the Directors were not aware of any person or corporation (other than the Directors and the Chief Executives) who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 or Part XV of the SFO, or pursuant to section 336 of the SFO, which would have to be recorded in the register referred to therein.

## SHARE OPTION SCHEME

A share option scheme (the “**Scheme**”) was adopted by the Company on 23 June 2016. Unless otherwise cancelled or amended, the Scheme will remain in force for a period of 10 years. Under the Scheme, the Board shall be entitled to offer to grant a share option to any eligible participant whom the Board may select at its absolute discretion. No share options have been granted under the Scheme since its effective date and up to 30 September 2019.

## **DIRECTOR’S RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Save as disclosed under the paragraph headed “INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS” in this announcement, at no time during the Current Period and as at 30 September 2019 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors and Chief Executives (including their respective spouse and children under 18 years of age) to acquire benefits by means of the acquisition of shares or underlying shares in, or debentures of, the Company or any of its associated corporation.

## **COMPETING INTERESTS**

As at 30 September 2019, none of the Directors, the substantial shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) has any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

## **NON-COMPETITION UNDERTAKING**

The Company received from Mr. Pan and Autumn Ocean Limited a confirmation in October 2019 on their compliance of the non-competition undertaking (“**Pan’s Undertaking**”) under the deed of non-competition dated 23 June 2016 given by them in favour of the Company (the “**Deed of Non-Competition**”) for the period from 1 July 2019 to 30 September 2019. The independent non-executive Directors reviewed the compliance of Pan’s Undertaking and evaluated the effectiveness of the implementation of the Deed of Non-competition, and were satisfied that Mr. Pan and Autumn Ocean Limited have complied with Pan’s Undertaking during the period from 1 July 2019 to 30 September 2019.

## **DIRECTORS’ SECURITIES TRANSACTIONS**

The Company has adopted Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding Director’s securities transaction. Having made specific enquiries of all Directors, all of them confirmed that they have complied with the required standard of dealings throughout the Current Period. The Company has not been notified of any incident of non-compliance during the Current Period.



## **PURCHASE, SALE OR REDEMPTION OF SHARES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Current Period.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Company is committed to achieving high standards of corporate governance to safeguard the interests of the shareholders of the Company and enhance its corporate value. The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code in Appendix 15 to the GEM Listing Rules (the "CG Code").

During the Current Period, to the best knowledge of the Board, the Company had complied with the code provisions in the CG Code, save for the deviation from the code provision A.2.1 as explained below.

Pursuant to A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

Given the current corporate structure, there is no separation between the roles of the chairman and the chief executive officer. Since May 2007, Mr. Pan has been managing the Group's business and supervising the overall operations of the Group. The Directors believe that the vesting of the roles of chairman of the Board and chief executive officer in Mr. Pan is beneficial to the business operations and management of the Group and will provide a strong and consistent leadership to the Group. Accordingly, the Company has not segregated the roles of the chairman and the chief executive officer as required by A.2.1 of the CG Code.

## **DISCLOSURES UNDER RULES 17.22 TO 17.24 OF THE GEM LISTING RULES**

As at 30 September 2019, the Group had no circumstances which would give rise to a disclosure obligation under Rules 17.22 to 17.24 of the GEM Listing Rules.

## **AUDIT COMMITTEE**

The chairman of the Audit Committee is Mr. Lau Hon Kee, being an independent non-executive Director, and other members include Mr. Chan Chun Hong and Mr. Lee Tak Cheung Vincent, both being independent non-executive Directors.

The primary duties of the Audit Committee are to (i) to review and monitor the Company's external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; (ii) monitor integrity of the Company's financial statements, review annual report and accounts, half-year report and quarterly reports, and review significant financial reporting judgements contained in them; and (iii) review the Company's financial reporting, financial controls, risk management and internal control systems.

The Company has complied with Rule 5.28 of the GEM Listing Rules in that at least one of the members of the Audit Committee (which must comprise a minimum of three members and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting or related financial management expertise.

The Audit Committee had reviewed the unaudited condensed consolidated financial statements of the Group for the Current Period and is of the opinion that such results have complied with applicable accounting standards and GEM Listing Rules and that adequate disclosures have been made.

## **INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS**

At a board meeting of the Company held on 6 November 2019, the Board declared Q3 Dividend of HK\$0.005 in cash per share for the three months ended 30 September 2019. The Q3 Dividend will be paid on or about Friday, 13 December 2019 to shareholders whose names appear on the register of members of the Company on Thursday, 28 November 2019.

The register of members of the Company will be closed from Tuesday, 26 November 2019 to Thursday, 28 November 2019 (both dates inclusive), for the purpose of determining shareholders' entitlement to the interim dividend, during which period no transfer of shares of the Company will be registered. In order to qualify for the interim dividend, all transfers of shares of the Company accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 25 November 2019.

By order of the Board of  
**ASTRUM FINANCIAL HOLDINGS LIMITED**  
**Pan Chik**  
*Chairman and Chief Executive Officer*

Hong Kong, 6 November 2019

As at the date of this announcement, the directors of the Company are:

*Executive Directors*

Mr. Pan Chik (*Chairman and Chief Executive Officer*)

Mr. Kwan Chun Yee Hidulf

*Independent Non-executive Directors*

Mr. Chan Chun Hong

Mr. Lee Tak Cheung Vincent

Mr. Lau Hon Kee

*This announcement will remain on the "Latest Company Announcements" page of the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) for at least 7 days from the date of its publication and on the website of the Company ([www.astrum-capital.com](http://www.astrum-capital.com)).*