



**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

2020

**FIRST QUARTERLY  
REPORT**

## 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.

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*This report, 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 report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.*

*This report will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange ([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)).*

## SUMMARY

- Revenue for the three months ended 31 March 2020 amounted to approximately HK\$9.0 million while revenue for the three months ended 31 March 2019 amounted to approximately HK\$8.0 million.
- Profit and total comprehensive income attributable to owners of the Company for the three months ended 31 March 2020 amounted to approximately HK\$1.1 million while profit and total comprehensive income attributable to owners of the Company for the three months ended 31 March 2019 amounted to approximately HK\$2.0 million.
- Basic earnings per share for the three months ended 31 March 2020 amounted to approximately HK0.13 cents while basic earnings per share for the three months ended 31 March 2019 amounted to approximately HK0.25 cents.
- At a board meeting of the Company held on 7 May 2020, the board of Directors (the “Board”) declared an interim dividend of HK\$0.005 per share for the three months ended 31 March 2020. The interim dividend declared in the total amount of HK\$4,000,000 has not been recognised as a liability as at 31 March 2020.

## UNAUDITED CONDENSED CONSOLIDATED FIRST QUARTERLY RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2020

The Board is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the three months ended 31 March 2020 together with the comparative unaudited figures for the corresponding period in 2019 as follows:

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

For the three months ended 31 March 2020

	Notes	Three months ended 31 March	
		2020 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)
Revenue	3	8,978	8,007
Other income	4	639	130
Net realised gain arising from financial assets at fair value through profit or loss		25	–
Net unrealised gain arising from financial assets at fair value through profit or loss		18	–
Administrative and other operating expenses		(8,312)	(5,895)
Finance costs		(169)	(11)
Profit before tax	5	1,179	2,231
Income tax expense	6	(100)	(200)
<b>Profit and total comprehensive income for the period attributable to owners of the Company</b>		<b>1,079</b>	<b>2,031</b>
<b>Earnings per share</b>			
– Basic and diluted (HK cents)	8	0.13	0.25

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY***For the three months ended 31 March 2020*

	Attributable to owners of the Company				Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000	Retained profits HK\$'000	
<b>Three months ended 31 March 2019</b>					
Balance at 1 January 2019 (Audited)	8,000	77,179	38,401	59,951	183,531
Profit and total comprehensive income for the period	–	–	–	2,031	2,031
Balance at 31 March 2019 (Unaudited)	<u>8,000</u>	<u>77,179</u>	<u>38,401</u>	<u>61,982</u>	<u>185,562</u>
<b>Three months ended 31 March 2020</b>					
Balance at 1 January 2020 (Audited)	8,000	77,179	38,401	59,964	183,544
Profit and total comprehensive income for the period	–	–	–	1,079	1,079
Balance at 31 March 2020 (Unaudited)	<u>8,000</u>	<u>77,179</u>	<u>38,401</u>	<u>61,043</u>	<u>184,623</u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2020

### 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 (“**IPO**”) financing and asset management services.

The unaudited condensed consolidation financial statements 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 three months ended 31 March 2020 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 of Chapter 18 to the GEM Listing Rules. These unaudited condensed consolidated financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2019.

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements for the three months ended 31 March 2020 are consistent with those adopted in the Group’s annual financial statements for the year ended 31 December 2019, 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 2020.

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 these unaudited condensed consolidated financial statements.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2020

### 2. BASIS OF PREPARATION (Continued)

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>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>

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

<sup>2</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 except for certain financial instruments that are measured at fair values at the end of each reporting period. 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 7 May 2020.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***For the three months ended 31 March 2020***3. REVENUE****Revenue from major services**

The Group's revenue from its major services for the three months ended 31 March 2020 and 2019 are as follows:

	Three months ended 31 March	
	2020 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)
<b>Revenue from contracts with customers</b>		
Commission from brokerage services	447	612
Placing and underwriting commission	6,654	4,206
Corporate finance advisory services fee	450	2,170
Asset management services		
– Fund management and performance fee	328	315
	<u>7,879</u>	<u>7,303</u>
<b>Revenue from other sources</b>		
Interest income from securities and IPO financing	1,099	704
<b>Total revenue</b>	<u><u>8,978</u></u>	<u><u>8,007</u></u>

**Disaggregation of revenue from contracts with customers**

	Three months ended 31 March	
	2020 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)
<b>Timing of revenue recognition from contracts with customers</b>		
– At a point in time	7,101	4,818
– Over time	778	2,485
	<u>7,879</u>	<u>7,303</u>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***For the three months ended 31 March 2020***4. OTHER INCOME**

	Three months ended	
	31 March	
	2020	2019
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest income from		
– banks	304	75
– others	1	4
Administrative services income	2	2
Management fee income	8	9
Handling fee income	324	40
	<u>639</u>	<u>130</u>

**5. PROFIT BEFORE TAX**

Profit before tax has been arrived at after charging/(crediting):

	Three months ended	
	31 March	
	2020	2019
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Auditors' remuneration	158	163
Commission expenses	1,062	1
Depreciation of property, plant and equipment	109	110
Depreciation of right-of-use assets	702	–
Interest expense on bank overdrafts and borrowings	148	11
Interest expense on lease liabilities	21	–
Net foreign exchange loss/(gain)	27	(21)
Operating lease payments in respect of rented premises previously classified as operating leases under HKAS 17	–	578
Employee benefits expense:		
Salaries and other benefits	4,637	3,387
Commission to accounts executives	51	127
Contributions to retirement benefit scheme	90	83
Total employee benefits expense, including directors' emoluments	<u>4,778</u>	<u>3,597</u>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS***For the three months ended 31 March 2020***6. INCOME TAX EXPENSE**

	Three months ended	
	31 March	
	2020	2019
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Hong Kong Profits Tax:		
– Current period	<u>100</u>	<u>200</u>

Hong Kong Profits Tax of the qualifying group entity 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.

**7. DIVIDENDS**

At a board meeting of the Company held on 7 May 2020, the Board declared an interim dividend of HK\$0.005 per share for the three months ended 31 March 2020. The interim dividend declared in the total amount of HK\$4,000,000 has not been recognised as a liability as at 31 March 2020.

At a board meeting of the Company held on 7 May 2019, the Board declared an interim dividend of HK\$0.005 per share for the three months ended 31 March 2019. The interim dividend declared in the total amount of HK\$4,000,000 has not been recognised as a liability as at 31 March 2019.



## 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.

During the three months ended 31 March 2020 (the “Current Period”), the Group had recorded dissatisfied financial results. Although it recorded a total revenue of approximately HK\$9.0 million, which represented an increase of approximately 12.5% as compared with the one for the three months ended 31 March 2019 (the “Corresponding Period”), the profit, due to, amongst others, the increase in administrative and other operating expenses and finance costs, dropped from HK\$2.0 million for the Corresponding Period to HK\$1.1 million for the Current Period, representing a decrease of approximately 45%.

### FINANCIAL REVIEW

#### Revenue

Total revenue of the Group for the Current Period was approximately HK\$9.0 million as compared to approximately HK\$8.0 million for the Corresponding Period, representing an increase of approximately 12.5%. Such increase was mainly attributable to (i) the increase in the number of placing and underwriting engagements secured and completed by the Group; and (ii) rebound demand for margin financing service from customers, which was partially offset by the decrease in (i) the transaction amount of customers’ securities trading; and (ii) the number of corporate finance advisory engagements charged by the Group.

Commission from brokerage services decreased from approximately HK\$0.6 million for the Corresponding Period to approximately HK\$0.4 million for the Current Period, representing a decrease of approximately 33.3%. Such decrease was due to the decrease in the transaction amount of customers’ securities trading.

Revenue derived from placing and underwriting services increased significantly from approximately HK\$4.2 million for the Corresponding Period to approximately HK\$6.7 million for the Current Period, representing an increase of approximately 59.5%. Such increase was mainly due to the increase in the number of placing and underwriting engagements completed by the Group from three engagements for the Corresponding Period to five engagements for the Current Period.

Corporate finance advisory services fee decreased significantly from approximately HK\$2.2 million for the Corresponding Period to approximately HK\$0.5 million for the Current Period, representing a decrease of approximately 77.3%. Such decrease was mainly due to the decrease in the number of corporate finance advisory engagements charged by the Group from five engagements for the Corresponding Period to two engagements for the Current Period.

Interest income from securities and IPO financing increased from approximately HK\$0.7 million for the Corresponding Period to approximately HK\$1.1 million for the Current Period, representing an increase of approximately 57.1%. Such increase was attributable to the rebound demand for margin financing service from customers.

Asset management services fee remained stable at approximately HK\$0.3 million for the Corresponding Period and the Current Period.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW (Continued)

#### Other income

Other income increased from approximately HK\$130,000 for the Corresponding Period to approximately HK\$639,000 for the Current Period, representing an increase of approximately 391.5%. 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.

#### Financial assets at fair value through profit or loss

The Company used to roll the idle cash in short term deposit. Not until the recent volatile stock market triggered by the outbreak of the Coronavirus 2019 (the “COVID-19”) pandemic, the Directors have decided to invest in a certain portion of the idle cash in high quality industry leaders who are listed in the Hong Kong stock market.

Net realised gain arising from financial assets at fair value through profit or loss amounted to approximately HK\$25,000 during the Current Period (Corresponding Period: Nil). Net unrealised gain arising from financial assets at fair value through profit or loss amounted to approximately HK\$18,000 during the Current Period (Corresponding Period: Nil).

#### Administrative and other operating expenses

Administrative and other operating expenses increased from approximately HK\$5.9 million for the Corresponding Period to approximately HK\$8.3 million for the Current Period, representing an increase of approximately 40.7%. Such increase was mainly due to (i) the increase in the total employee benefits expense from approximately HK\$3.6 million for the Corresponding Period to approximately HK\$4.8 million for the Current Period; and (ii) the increase in commission expenses from approximately HK\$1,000 for the Corresponding Period to approximately HK\$1.1 million for the Current Period.

#### Finance costs

Finance costs increased significantly from approximately HK\$11,000 for the Corresponding Period to approximately HK\$169,000 for the Current Period, representing an increase of approximately 1,436.4%. The finance costs were mainly incurred for the utilisation of IPO loans borrowed from a bank.

### PROFIT FOR THE PERIOD

As a result of the foregoing, profit of approximately HK\$1.1 million for the Current Period was recorded as compared to a profit of approximately HK\$2.0 million for the Corresponding Period.

## MANAGEMENT DISCUSSION AND ANALYSIS

### PROSPECTS

The COVID-19 is inflicting high and rising human costs worldwide, and the necessary protection measures are severely impacting economic activities. The International Monetary Fund (IMF) projected the global economy will contract sharply by -3% in 2020, which is much worse than during the financial crisis in 2008 to 2009.

The epidemic of COVID-19 swept the Hong Kong community in the first quarter of 2020. The Hong Kong economy has already been shrinking since the middle of last year, and unfortunately the public health crisis adds fuel to the fire. In particular, the catering, retail and tourism industries are bearing the brunt of the storm. Global and Hong Kong stock markets are undergoing one of their most volatile periods in history, reflecting the uncertain macro environment and impact of the COVID-19 outbreak. The management of the Group would review and adjust business strategies on a regular basis with a prudent and balanced risk management approach so as to cope with the current unpredictable economic situation.

### EVENTS AFTER THE REPORTING PERIOD

Subsequent to 31 March 2020 and up to the date of this report, 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 7 May 2020, the Board declared an interim dividend of HK\$0.005 per share for the three months ended 31 March 2020. The interim dividend declared in the total amount of HK\$4,000,000 has not been recognised as a liability as at 31 March 2020.

At a board meeting of the Company held on 7 May 2019, the Board declared an interim dividend of HK\$0.005 per share for the three months ended 31 March 2019. The interim dividend declared in the total amount of HK\$4,000,000 has not been recognised as a liability as at 31 March 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 31 March 2020, 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 interested in	Approximate percentage of shareholding (Note 2)
Mr. Pan (Note 1)	Interest of a controlled corporation	532,685,000	66.59%

Notes:

- 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.
- The percentage is calculated on the basis of 800,000,000 shares in issue as at 31 March 2020.

Save as disclosed above, as at 31 March 2020, 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.

## OTHER INFORMATION

### 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 31 March 2020, 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:

- 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.
- The percentage is calculated on the basis of 800,000,000 shares in issue as at 31 March 2020.

Save as disclosed above, as at 31 March 2020, 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.

## OTHER INFORMATION

### 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 31 March 2020.

### DIRECTORS’ 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 report, at no time during the Current Period and as at 31 March 2020 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 31 March 2020, 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

#### Confirmation from Mr. Pan and Autumn Ocean Limited

The Company received from Mr. Pan and Autumn Ocean Limited a confirmation in April 2020 on their compliance of the non-competition undertaking under the Deed of Non-competition (“Pan’s Undertaking”) for the period from 1 January 2020 to 31 March 2020. 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 January 2020 to 31 March 2020.

## OTHER INFORMATION

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings (the “**Required Standard of Dealing**”) set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries of all the Directors, each of them has confirmed that they have complied with the Required Standard of Dealings throughout the Current Period. No incident of non-compliance was noted by the Company during the Current Period.

### PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has 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. The Board also believes that the Company already has a strong corporate governance structure in place to ensure effective oversight of management.

## OTHER INFORMATION

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

As at 31 March 2020, 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 audit committee (the “**Audit Committee**”) has been established with written terms of reference in compliance with rules 5.28 and 5.29 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The Audit Committee currently comprises three independent non-executive Directors and is chaired by Mr. Lau Hon Kee. The other members are Mr. Chan Chun Hong and Mr. Lee Tak Cheung Vincent. The primary duties of the Audit Committee is to review and supervise the Company’s financial reporting process, the internal control systems of the Group and the monitoring of continuing connected transactions. All members of the Audit Committee are appointed by the Board.

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

### INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

At a board meeting of the Company held on 7 May 2020, the Board declared an interim dividend of HK\$0.005 in cash per share for the three months ended 31 March 2020. The said interim dividend will be paid on or about Friday, 12 June 2020 to shareholders whose names appear on the register of members of the Company on Friday, 29 May 2020.

The register of members of the Company will be closed from Wednesday, 27 May 2020 to Friday, 29 May 2020 (both days 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 Tuesday, 26 May 2020.

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

Hong Kong, 7 May 2020

As at the date of this report, the Directors 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