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**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)**

**SUPPLEMENTAL AGREEMENT  
IN RELATION TO  
THE DISCLOSEABLE AND CONNECTED TRANSACTION**

**THE SUPPLEMENTAL AGREEMENT**

Reference is made to the announcement of the Company dated 6 July 2021 in relation to, among other things, the acquisition of 27% of the issued share capital of the Target Company involving the issue of Consideration Shares under the Specific Mandate.

Pursuant to the terms of the Supplemental Agreement, the Company has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, 25% of the issued share capital of the Target Company, for a Revised Consideration of HK\$32,853,000.

The Revised Consideration shall be satisfied by the Company by way of allotment and issue of a total of 233,000,000 Revised Consideration Shares at the Issue Price (i.e. HK\$0.141 per Revised Consideration Share), credited as fully paid, to the Vendor (and/or its nominee(s)).

Save as disclosed above, there is no other material variation to the Sale and Purchase Agreement.

**Completion is subject to the fulfillment or waiver (as the case may be) of the conditions precedent set out in the Sale and Purchase Agreement (as supplemented by the Supplemental Agreement) and therefore the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

Reference is made to the announcement of the Company dated 6 July 2021 (the “**Announcement**”) in relation to, among other things, the acquisition of 27% of the issued share capital of the Target Company involving the issue of Consideration Shares under the Specific Mandate. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

## **THE SUPPLEMENTAL AGREEMENT**

The Board announces that, on 15 July 2021 (after trading hours of the Stock Exchange), the Company, the Vendor and the Target Company entered into a supplemental agreement to the Sale and Purchase Agreement (the “**Supplemental Agreement**”).

The principal terms of the Supplemental Agreement are as follows:

Date: 15 July 2021

Parties: (i) the Company, as the purchaser;  
(ii) the Vendor, as the vendor; and  
(iii) the Target Company

### **Asset to be acquired**

Pursuant to the terms and conditions of the Supplemental Agreement, the Company has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, 25 issued shares of the Target Company (the “**Revised Sale Shares**”), representing 25% of the issued share capital of the Target Company (the “**Acquisition**”).

### **Consideration**

The consideration for the Revised Sale Shares is HK\$32,853,000 (the “**Revised Consideration**”), which shall be satisfied by way of allotment and issue of an aggregate of 233,000,000 new Shares (the “**Revised Consideration Shares**”) at the Issue Price (i.e. HK\$0.141 per Revised Consideration Share), credited as fully paid, to the Vendor (and/or its nominee(s)) upon Completion, and to be delivered to the Vendor subject to the provisions in respect of the profit guarantee and the Option Deed as disclosed in the Announcement and this announcement.

The Revised Consideration was determined after arm’s length negotiations between the Company and the Vendor on normal commercial terms, after taking into account, among others, (i) the profit guarantee provided by the Vendor in respect of the Guaranteed Profits of HK\$15,500,000 for the year ending 31 March 2022; (ii) the Put and Repurchase Option which may be exercised by the Company, subject to the terms of the Option Deed, in the event that the Target Group fails to achieve the agreed Guaranteed Profits; (iii) the preliminary valuation of 25% equity interest in RSL of HK\$32,900,000 as at 30 June 2021 prepared by an independent professional valuer based on market approach; and (iv) other factors as set out in the section headed “Reasons for and benefits of the Acquisition” in the Announcement.

## Revised Consideration Shares

Subject to the fulfilment or waiver (as the case may be) of the conditions precedent as set out in the Announcement, the Company shall allot and issue 233,000,000 Revised Consideration Shares to the Vendor (and/or its nominee(s)) at the Issue Price to satisfy the Revised Consideration on Completion.

The Issue Price of HK\$0.141 per Revised Consideration Share represents:

- (i) a discount of approximately 9.03% to the closing price of HK\$0.155 per Share as quoted on the Stock Exchange on the date of the Supplemental Agreement;
- (ii) a discount of approximately 17.35% to the average closing price of HK\$0.1706 per Share as quoted on the Stock Exchange for the five trading days immediately prior to the date of the Supplemental Agreement;
- (iii) a premium of approximately 0.71% over the closing price of HK\$0.140 per Share as quoted on the Stock Exchange on the date of the Sale and Purchase Agreement; and
- (iv) a premium of approximately 0.71% over the average closing price of HK\$0.140 per Share as quoted on the Stock Exchange for the five trading days immediately prior to the date of the Sale and Purchase Agreement.

The 233,000,000 Revised Consideration Shares represent (i) approximately 24.27% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 19.53% of the issued share capital of the Company as enlarged by the allotment and issue of the Revised Consideration Shares (assuming no change in number of issued Shares from the date of this announcement and up to the Completion Date).

The Revised Consideration Shares are to be issued by the Company under the Specific Mandate to be sought from the Independent Shareholders at the EGM. The Revised Consideration Shares, when allotted and issued, will rank *pari passu* in all respects with all the Shares then in issue.

The Issue Price was determined after arm's length negotiation between the Company and the Vendor after taking into account the prevailing market price of the Shares. The Directors consider that the Issue Price is fair and reasonable.

The Company will make an application to the Stock Exchange for the listing of, and permission to deal in, the Revised Consideration Shares.

## Completion

Upon Completion, the Target Company shall be owned as to 75% and 25% by the Vendor and the Company, respectively. As such, the Target Company will be accounted for as an associate company of the Company.

## THE OPTION DEED

As disclosed in the Announcement, the Company (or its nominee) and the Vendor shall upon Completion enter into the Option Deed in relation to the Put and Repurchase Option.

Pursuant to the terms and conditions of the Supplemental Agreement, certain proposed terms of the Option Deed are amended as follows:

### **Revised Option Shares and Revised Repurchase Shares**

Pursuant to the terms and conditions of the Supplemental Agreement, the number of Option Shares to be sold by the Company to the Vendor upon the exercise of the Put and Repurchase Option as provided in the Option Deed shall be amended to 25 issued shares of the Target Company (the “**Revised Option Shares**”), being the number of the Revised Sale Shares; and the number of Repurchase Shares to be repurchased by the Company from the Vendor upon the exercise of the Put and Repurchase Option as provided in the Option Deed shall be amended to 233,000,000 Shares (the “**Revised Repurchase Shares**”), being number of Revised Consideration Shares issued by the Company to the Vendor upon Completion.

### **Consideration of the Revised Option Shares and the Revised Repurchase Shares**

The aggregate consideration payable by the Vendor to the Company in respect of the sale and purchase of the Revised Option Shares shall be HK\$32,853,000 (the “**Revised Put Option Price**”), which shall be satisfied by the Vendor at Option Completion by way of transfer of the Revised Repurchase Shares to the Company at the Revised Repurchase Price (as defined below).

The aggregate consideration payable by the Company to the Vendor for the sale and repurchase of the Revised Repurchase Shares shall be HK\$32,853,000 (the “**Revised Repurchase Price**”), which shall be satisfied by the Company at Option Completion by way of transfer of the Revised Option Shares to the Vendor at the Revised Put Option Price.

The consideration for the sale and purchase of the Revised Option Shares and that for the sale and repurchase of the Revised Repurchase Shares shall be set off against each other at Option Completion.

Save as disclosed above, there is no other material variation to the Sale and Purchase Agreement.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there being no other changes in the share capital of the Company from the date of this announcement and up to the Completion Date, set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon Completion.

Shareholders	As at the date of this announcement		Immediately upon Completion	
	Number of Shares	Approx. %	Number of Shares	Approx. %
Autumn Ocean Limited ("Autumn Ocean") (Note 1)	532,685,000	55.49%	532,685,000	44.65%
Vendor (Note 2)	—	—	233,000,000	19.53%
Public Shareholders	<u>427,315,000</u>	<u>44.51%</u>	<u>427,315,000</u>	<u>35.82%</u>
<b>Total</b>	<u><u>960,000,000</u></u>	<u><u>100%</u></u>	<u><u>1,193,000,000</u></u>	<u><u>100%</u></u>

### Notes:

1. Autumn Ocean is a company wholly-owned by Mr. Pan Chik ("Mr. Pan"), being the Chairman, Chief Executive Officer and an executive Director. Mr. Pan is therefore deemed to be interested in all the Shares held by Autumn Ocean by virtue of the SFO.
2. As security for the performance of the obligations of the Vendor in respect of the Profit Guarantee, the Vendor and the Company shall jointly appoint the Escrow Agent to act as the escrow agent and to hold the share certificates in relation to the Revised Consideration Shares on and subject to the terms and conditions under the Escrow Letter. For details of the arrangement, please refer to the section headed "The Sale and Purchase Agreement — Profit Guarantee" in the Announcement.
3. Certain percentage figures in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

## REASONS FOR ENTERING INTO THE SUPPLEMENTAL AGREEMENT

It is contemplated that upon completion of the Acquisition under the Sale and Purchase Agreement (as supplemented by the Supplemental Agreement), the Target Company will be owned as to 75% and 25% by the Vendor and the Company, respectively. Taking into account, among others, (i) the Issue Price of HK\$0.141 per Revised Consideration Share remains unchanged under the Supplemental Agreement; (ii) the Target Company will remain to be accounted for as an associate company of the Company upon completion of the Acquisition; and (iii) the factors as set out in the section headed "Reasons for and benefits of the Acquisition" in the Announcement, the Directors (excluding the independent non-executive Directors whose view will be expressed after considering the advice of the Independent Financial Adviser) consider that the terms of the Supplemental Agreement (including the Revised Consideration and the Issue Price) are fair and reasonable and the entering into of the Supplemental Agreement is on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

As one or more of the applicable percentage ratio(s) (as defined under the GEM Listing Rules) in respect of the Acquisition under the Sale and Purchase Agreement (as supplemented by the Supplemental Agreement) is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction on the part of the Company under Chapter 19 of the GEM Listing Rules. Further, as Mr. Tsang, who is a controlling shareholder and sole director of the Target Company, will be nominated as an executive Director and may become a controller of the Company (as defined under the GEM Listing Rules) as a result of the Acquisition (subject to the Independent Shareholders' approval at the EGM), the Acquisition under the Sale and Purchase Agreement (as supplemented by the Supplemental Agreement) constitutes a connected transaction on the part of the Company pursuant to Rule 20.26 of the GEM Listing Rules. As such, the Acquisition is subject to the notification, announcement and Independent Shareholders' approval requirements under the GEM Listing Rules.

The Revised Consideration Shares will be allotted and issued pursuant to the Specific Mandate. The EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the grant of the Specific Mandate for the allotment and issue of the Revised Consideration Shares.

None of the Directors has any material interest in the Sale and Purchase Agreement (as supplemented by the Supplemental Agreement) and the transactions contemplated thereunder (including the Acquisition and the allotment and issue of the Revised Consideration Shares under the Specific Mandate), the Appointment and the Change of Company Name, and therefore no Director is required to abstain from voting on the relevant resolutions of the Board.

## **GENERAL**

A circular containing, among other things, (i) further information on the Sale and Purchase Agreement (as supplemented by the Supplemental Agreement) and the transactions contemplated thereunder and the Change of Company Name; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Sale and Purchase Agreement (as supplemented by the Supplemental Agreement) and the transactions contemplated thereunder; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in the same regard; (iv) the valuation report for 25% equity interest in RSL; and (v) a notice of the EGM, is expected to be despatched to the Shareholders on or before 16 August 2021 as additional time is required for the preparation of the relevant information to be included in the circular.

**Completion is subject to the fulfillment or waiver (as the case may be) of the conditions precedent set out in the Sale and Purchase Agreement (as supplemented by the Supplemental Agreement) and therefore the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

By order of the Board  
**Astrum Financial Holdings Limited**  
**Pan Chik**  
*Chairman and Chief Executive Officer*

Hong Kong, 15 July 2021

*As at the date of this announcement, the Directors are:*

***Executive Directors***

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

*Mr. Kwan Chun Yee Hidulf*

***Independent Non-executive Directors***

*Mr. Sum Loong*

*Mr. Lee Tak Cheung Vincent*

*Mr. Lau Hon Kee*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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 respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the GEM website ([www.hkgem.com](http://www.hkgem.com)) 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)).*