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## **RaffAello-Astrum Financial Holdings Limited**

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

**(Stock code: 8333)**

### **UPDATE ON PROFIT WARNING**

This announcement is made by RaffAello-Astrum Financial Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the profit warning announcement (“**Profit Warning Announcement**”) of the Company dated 28 February 2022. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Profit Warning Announcement.

The Board wishes to further inform the Shareholders and potential investors of the Company that, based on the updated information currently available to the Board, the Group is expected to record a net loss of approximately HK\$9 million for the 2021 Year, as compared to a net loss of approximately HK\$2.1 million for the 2020 Year. Such expected increase in net loss for the 2021 Year is mainly attributable to (a) the significant decrease in revenue from approximately HK\$47.8 million for the 2020 Year to approximately HK\$12.9 million for the 2021 Year; and (b) the recognition of impairment loss on investment in an associate of approximately HK\$14.7 million (2020 Year: Nil), which is partially offset by (c) the significant decrease in administrative and other operating expenses from approximately HK\$50.1 million for the 2020 Year to approximately HK\$30.1 million for the 2021 Year; and (d) gain on fair value change of the put and repurchase option relating to investment in an associate held by the Group as at 31 December 2021 of approximately HK\$23.8 million (2020 Year: Nil).

The Group has engaged an independent external valuer to assess the recoverable amount of investment in an associate and the fair value of the related put and repurchase option as at 31 December 2021. Due to the delay in progress of project pipeline of RaffAello Securities (HK) Limited and deterioration of its business affected by the impact of coronavirus disease 2019 pandemic, the assessed recoverable amount of investment in an associate is significantly lower than its carrying amount as at 31 December 2021 and the assessed fair value of the related put and repurchase option as at 31 December 2021 increases significantly, which results in the aforesaid recognition of impairment loss on investment in an associate and a gain on fair value change of the put and repurchase option for the 2021 Year respectively. However, both the impairment loss on investment in an associate and the fair value gain of the put and repurchase option are extraordinary items and non-cash in nature and will not have any material impact on the Group’s cash flows and daily operation of business.

As the Company is still in the process of finalising its annual results for the 2021 Year, the information contained in this announcement is only based on the preliminary assessment made by the Board according to the information currently available and the unaudited consolidated management accounts of the Group for the 2021 Year, which have not been reviewed or audited by the Company's auditors or the Company's audit committee and may be subject to adjustment. The Shareholders and potential investors of the Company are advised to read to the details of the Company's annual results announcement for the 2021 Year, which is expected to be published in or around late March 2022.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

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

Hong Kong, 22 March 2022

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

***Executive Directors***

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

*Mr. Tsang Kin Hung (Vice-chairman)*

*Mr. Kwan Chun Yee Hidulf*

*Ms. Yu Hoi Ling*

***Independent Non-executive Directors***

*Mr. Sum Loong*

*Mr. Lau Hon Kee*

*Ms. Yue Chung Sze Joyce*

*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 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/raffaello-astrum/](http://www.astrum-capital.com/raffaello-astrum/)).*