ARTA TECHFIN CORPORATION LIMITED
裕承科金有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 279)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2022

ANNUAL RESULTS

The Board of Directors (the "Board") of Arta TechFin Corporation Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 March 2022, which have been reviewed by the Audit Committee, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2022

	Notes	2022 HK$'000	2021 HK$'000
REVENUE	*4*	**43,649**	26,173
Cost of sales		**(6,743)**	(5,968)
Gross profit		**36,906**	20,205
Other income and gains	*4*	**6,321**	12,809
Fair value gains/(losses) on investments at fair value through profit or loss, net		**(425)**	99
General and administrative expenses		**(89,207)**	(65,939)
Reversal of provision/(provision) for impairment loss of accounts receivable, net	*17*	**658**	(650)

	Notes	**2022** **HK$'000**	2021 *HK$'000*
Gain on restructuring	*6*	**3,217,689**	–
Other expenses, net		**(14,301)**	(32,406)
Finance costs	*7*	**(380,837)**	(635,905)
PROFIT/(LOSS) BEFORE TAX	*5*	**2,776,804**	(701,787)
Income tax (expense)/credit	*9*	**(7,088)**	95
PROFIT/(LOSS) FOR THE YEAR		**2,769,716**	(701,692)
Attributable to:			
Shareholders of the Company		**2,769,719**	(701,690)
Non-controlling interests		**(3)**	(2)
		2,769,716	(701,692)
EARNING/(LOSS) PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	*10*		
Basic		**HK$0.31**	(HK$0.38)
Diluted		**HK$0.26**	(HK$0.38)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2022

	2022	2021
	HK$'000	*HK$'000*
PROFIT/(LOSS) FOR THE YEAR	**2,769,716**	(701,692)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**88**	(546)
Release of exchange fluctuation upon restructuring	**5,119**	–
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Equity investments at fair value through other comprehensive income – net movement in investment revaluation reserve (non-recycling)	**23,406**	58,646
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**28,613**	58,100
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	**2,798,329**	(643,592)
Attributable to:		
Shareholders of the Company	**2,798,332**	(643,590)
Non-controlling interests	**(3)**	(2)
	2,798,329	(643,592)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2022

	Notes	2022 HK$'000	2021 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**7,769**	6,463
Goodwill	*12*	**1,505**	1,505
Intangible assets		**17,145**	17,145
Other financial assets	*14*	**–**	744,651
Prepayments and deposits		**5,627**	4,643
Fair value through profit or loss instrument		**1,945**	–
Total non-current assets		**33,991**	774,407
CURRENT ASSETS			
Prepayments, deposits and other receivables		**7,955**	64,405
Accounts receivable	*17*	**21,524**	178,710
Investments at fair value through profit or loss		**1,356**	1,742
Cash and bank balances		**68,452**	399,039
Total current assets		**99,287**	643,896
CURRENT LIABILITIES			
Accounts payable	*18*	**6,616**	40,210
Other payables and accruals	*19*	**12,193**	1,303,833
Borrowings	*20*	**40,000**	3,010,708
Lease liabilities		**4,607**	2,492
Tax payable		**1**	602
Total current liabilities		**63,417**	4,357,845
Net current assets/(liabilities)		**35,870**	(3,713,949)
Total assets less current liabilities		**69,861**	(2,939,542)

	Note	2022 HK$'000	2021 HK$'000
NON-CURRENT LIABILITIES			
Borrowings	20	**–**	30,000
Lease liabilities		**2,619**	2,720
Deferred tax liability		**2,561**	2,561
Total non-current liabilities		**5,180**	35,281
Net assets/(liabilities)		**64,681**	(2,974,823)
EQUITY/(DEFICIENCY IN ASSETS)			
Equity/(deficit) attributable to shareholders of the Company			
Issued capital		**186,818**	18,682
Reserves		**(122,132)**	(2,993,503)
		64,686	(2,974,821)
Non-controlling interests		**(5)**	(2)
Net equity/(deficiency in assets)		**64,681**	(2,974,823)

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for other financial assets and investments at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except where otherwise indicated.

(a) Deconsolidation of subsidiaries

The consolidated financial statements have been prepared based on the books and records maintained by the Group. However, due to the resignation of certain senior management personnel of the Company and non-cooperation of the management of certain subsidiaries (the "Deconsolidated Subsidiaries"), the directors of the Company had been unable to obtain and gain access to the books and records and assets of the Deconsolidated Subsidiaries and resolved that the Group no longer had the controlling power to govern the financial and operating policies of the Deconsolidated Subsidiaries so as to benefit from their activities, and accordingly the control over the Deconsolidated Subsidiaries was deemed to have lost since 1 April 2019. The Deconsolidated Subsidiaries had therefore been deconsolidated from the consolidated financial statements of the Group from 1 April 2019 onwards on the basis of loss of control. Further details of which were described in the Group's annual financial statements for the years ended 31 March 2021 and 2020.

Following the completion of the Restructuring on 1 November 2021 as described below, the Deconsolidated Subsidiaries, being part of the assets of the Excluded Subsidiaries, had been transferred to the ListCo Schemes SchemeCo and the Group no longer has any interest in the Deconsolidated Subsidiaries.

(b) Group restructuring and reorganisation

Completion of the restructuring of the Group and resumption of trading in shares of the Company (the "Shares")

At the request of the Company, trading in Shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") had been suspended with effect from 1:12 p.m. on 28 February 2020.

On 10 May 2019, the Company received a notice of petition from a lender (the "Petition") issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) from the High Court of the Hong Kong Special Administrative Region (the "High Court") that the Company be wound up by the High Court on the ground that the Company was insolvent and unable to pay its debts. On 28 February 2020, the High Court ordered that Messrs. Lai Kar Yan (Derek) and Ho Kwok Leung Glen of Deloitte Touche Tohmatsu be appointed as provisional liquidators of the Company (the "Provisional Liquidators") with power to act jointly and severally until the determination of the Petition or further order of the High Court. On 4 November 2020, upon application made by the Provisional Liquidators, the Grand Court of the Cayman Islands (the "Grand Court") issued an order, which, among other things, recognised the appointment of Messrs. Lai Kar Yan (Derek) and Ho Kwok Leung Glen of Deloitte Touche Tohmatsu as joint and several provisional liquidators of the Company pursuant to orders of the High Court dated 28 February 2020 and subsequently amended on 26 March 2020 and the Provisional Liquidators presenting and prosecuting a petition in the Grand Court in respect of the creditors' scheme of arrangement pursuant to section 86 of the Companies Law (2020 Revision) in furtherance of the proposed rescue and restructuring of the Company and its debts. Since their appointment, the Provisional Liquidators have taken all necessary actions to preserve the assets and have been managing the affairs of the Group.

On the application of the Provisional Liquidators, the High Court ordered on 4 October 2021 the dismissal of Petition and the discharge of the Provisional Liquidators on 1 November 2021, with liberty for the petitioner or the Provisional Liquidators to apply for the adjournment of the Petition. On 1 November 2021, the Company fulfilled all the resumption conditions to the satisfaction of the Stock Exchange and the Petition had been dismissed and the Provisional Liquidators had been discharged. Trading in the Shares on the Stock Exchange resumed with effect from 9:00 a.m. on 1 November 2021.

In November 2021, all trading restrictions imposed by the Stock Exchange and the Securities and Futures Commission of Hong Kong (the "SFC") had been lifted.

On 1 November 2021, the Company had completed the restructuring of indebtedness of the Group which included, among others, the Subscription, the First Loan Conversion and the ListCo Schemes (as defined in the circular of the Company dated 26 May 2021) becoming effective and certain indebtedness of the Group had been relieved.

Listing status of the Company

On 19 March 2020 and 30 June 2020, the Company received a letter from the Stock Exchange which set out the following conditions for resumption that the Company was required to satisfy (the "Resumption Conditions"):

1. demonstrate the Company's compliance with Rule 13.24 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited;

2. have the winding-up petition(s) withdrawn or dismissed and the Provisional Liquidators discharged;

3. inform the market of all material information for the Company's shareholders and other investors to appraise the Group's position; and

4. publish all outstanding financial results and address any audit modification(s).

On 1 November 2021, the Company fulfilled all the Resumption Conditions to the satisfaction of the Stock Exchange. The Petition had been dismissed and the Provisional Liquidators had been discharged. Trading in the Shares on the Stock Exchange resumed at 9:00 a.m. on 1 November 2021.

Restructuring of the Group

References are made to the Company's announcements dated 13 August 2020, 27 August 2020, 17 November 2020, 23 November 2020, 27 November 2020, 30 December 2020, 22 January 2021, 5 February 2021, 26 February 2021, 27 May 2021, 17 June 2021, 2 July 2021, 27 August 2021, 29 October 2021 and the Whitewash Circular dated 26 May 2021 in relation to the restructuring of the Company. Unless otherwise specified, capitalised terms used herein shall have the same meanings as in these announcements and the Whitewash Circular.

On 13 August 2020, the Company, the Provisional Liquidators and the Investor entered into the Term Sheet, setting out the key commercial terms of the proposed Restructuring of the Company.

On 2 September 2020, the Provisional Liquidators obtained the sanction from the High Court for entering into, among others, the Term Sheet and all requisite agreements arising therefrom in order to implement the proposed Restructuring.

On 10 September 2020, the Company, the Provisional Liquidators and the Investor entered into the Restructuring Deed, pursuant to which the Company, the Provisional Liquidators and the Investor agreed on the principal terms of the Restructuring which shall include, among others, (a) the provision of the First Loan and the Second Loan by the Investor; (b) the Subscription; (c) the Share Premium Cancellation; (d) the Resumption; (e) if the Resumption is not approved by the Stock Exchange, the Acquisition; and (f) the Schemes.

On 21 October 2020, SFC has approved the Investor to become a substantial shareholder of the Licensed Corporations.

On 17 November 2020 and 18 December 2020, the Company, the Provisional Liquidators and the Investor entered into the first supplemental deed and the second supplemental deed respectively, pursuant to which the parties agreed to further amend the terms of the Restructuring Deed and/or the First Loan Agreement.

On 24 December 2020, upon application of the Provisional Liquidators, the High Court and the Grand Court have approved the convening of the Scheme Meetings.

On 22 January 2021, the resolution to approve the Scheme was duly passed at the Scheme Meetings.

On 2 February 2021 (Hong Kong time) and 3 February 2021 (Cayman Islands time), the High Court has sanctioned without modification the Hong Kong ListCo Schemes under Hong Kong law and the Grand Court has sanctioned without modification the Cayman Islands ListCo Schemes under the Cayman law, respectively.

On 10 March 2021, 4 May 2021, 17 June 2021 and 27 August 2021, the Company submitted to the Stock Exchange the Resumption Proposal and addressed comments from the Stock Exchange.

On 1 November 2021, the Restructuring was completed. ListCo Schemes became effective on the same day that the Company had been informed by the Provisional Liquidators that (i) a copy of the order of the Grand Court sanctioning the Cayman Islands ListCo Schemes had been filed with the Cayman Islands Registrar of Companies on 28 October 2021; and (ii) a copy of the order of the High Court sanctioning the Hong Kong ListCo Schemes had been delivered to the Registrar of Companies in Hong Kong on 1 November 2021.

As a result, with effect from 1 November 2021, the Group no longer has any interest in the Excluded Subsidiaries which have all been transferred to the ListCo Schemes SchemeCo under the Restructuring.

Completion of the Subscription, the First Loan Conversion, the Placing Down and the issue of the Scheme Shares all took place on 29 October 2021 and the Company issued to (i) the Investor, the First Loan Conversion Shares and the Subscription Shares (other than the Placing Shares); (ii) the ListCo Schemes SchemeCo, the Scheme Shares for the benefit of the ListCo Schemes Creditors; and (iii) the Placees, the Placing Shares as directed by the Investor.

1. The provision of the First Loan and the Second Loan by the Investor

The First Loan Agreement

On 10 September 2020, the Company (as borrower), the Provisional Liquidators and the Investor (as lender) entered into the First Loan Agreement, pursuant to which the Investor shall make available to the Company (a) HK$161,174,982, being an amount equivalent to the LC Agreed Consideration; and (b) the Top-up Loan Amount (if any).

In the event that the Resumption is approved by the Stock Exchange (whether conditionally or unconditionally), the Investor shall convert the First Loan (including the Initial Deposit and the Top-up Loan Amount (if any)) into the First Loan Conversion Shares which, together with the Subscription Shares, shall represent 80% of the enlarged issued share capital of the Company upon completion of the First Loan Conversion, the Subscription and the issue of the Scheme Shares. The First Loan Conversion Shares shall be issued and allotted to the Investor simultaneously with the Subscription Shares. Upon completion of the First Loan Conversion, all outstanding liabilities of the Company under the First Loan Agreement shall be deemed fully paid and settled and no longer outstanding.

The First Loan Conversion had been completed on 29 October 2021.

The Second Loan Agreement

On 10 September 2020, the Company (as borrower), the Provisional Liquidators and the Investor (as lender) entered into the Second Loan Agreement, pursuant to which the Investor shall make available to the Company interest-free and unsecured loans of up to HK$40 million in aggregate.

If the Resumption is approved by the Stock Exchange (whether conditionally or unconditionally), the Investor may, within the Conversion Period, convert the Second Loan into the Second Loan Conversion Shares which, together with the First Loan Conversion Shares and the Subscription Shares, shall represent approximately 75% of the enlarged issued share capital of the Company upon completion of the First Loan Conversion, the Subscription, the issue of the Scheme Shares, the Placing Down and the Second Loan Conversion. Upon completion of the Second Loan Conversion, all outstanding liabilities of the Company under the Second Loan Agreement shall be deemed fully paid and settled and no longer outstanding.

As at 31 March 2022 and the date of this announcement, the Company has drawn down the Second Loan of HK$40 million from the Investor. No Second Loan has been converted into the Second Loan Conversion Shares.

2. The Subscription

In the event that the Resumption is approved by the Stock Exchange (whether conditionally or unconditionally), the Investor shall inject into the Company the New Subscription Proceeds of HK$80 million by subscribing the Subscription Shares which, together with the First Loan Conversion Shares, shall represent 80% of the enlarged issued share capital of the Company upon completion of the Subscription, the First Loan Conversion and the issue of the Scheme Shares. The New Subscription Proceeds, together with any accrued interest, shall be applied as the Scheme Cash Consideration under the ListCo Schemes.

The Subscription had been completed on 29 October 2021.

3. **The Share Premium Cancellation**

The Share Premium Cancellation shall involve the cancellation of the entire amount standing to the credit of the share premium account of the Company of approximately HK$2.78 billion. The credit arising from the Share Premium Cancellation shall be applied towards offsetting the accumulated deficit of the Company as at the effective date of the Share Premium Cancellation. During the year ended 31 March 2021, the Share Premium Cancellation has been completed.

4. **The Resumption**

To facilitate the Resumption, each of the Company, the Provisional Liquidators and the Investor undertakes and agrees to use its best endeavours to procure the compliance with the Resumption Guidance as soon as reasonably practicable in accordance with the terms of the Restructuring Deed.

The Resumption had been completed on 1 November 2021.

5. **The Acquisition (if the Resumption is not approved by the Stock Exchange)**

In the event that the Resumption is not approved by the Stock Exchange by the Long Stop Date, the Company shall, for the purpose of discharging and setting off its obligations to repay all the outstanding liabilities under the First Loan Agreement, procure the transfer of all shareholding interests in the Retained Subsidiaries by their respective immediate holding companies to the Investor or its nominee which shall take place in accordance with the terms of the Acquisition SPA at the consideration of HK$1.00. Upon completion of the Acquisition, the obligation of the Company to repay the Investor all outstanding liabilities under the First Loan Agreement shall be deemed fully discharged.

On 24 September 2020, the Acquisition SPA has been entered into with the Investor in respect of the transfer of all shareholding interests in the Retained Subsidiaries which shall take effect upon (i) the Investor having provided the First Loan to the Company in accordance with the terms of the First Loan Agreement; and (ii) the Resumption Proposal not having been approved by the Stock Exchange by the Long Stop Date.

In the event that the Resumption is approved by the Stock Exchange (whether conditionally or unconditionally), then the Retained Subsidiaries will remain in the Retained Group as subsidiaries of the Company immediately after the First Loan Conversion and the Subscription.

The Resumption had been approved by the Stock Exchange and completed on 1 November 2021.

6. **The Schemes**

Pursuant to the Restructuring Deed, the debt restructuring of the Group shall be implemented by way of the Schemes.

The principal terms of the ListCo Schemes are as follows:

(a) all claims of the ListCo Creditors against the Company as at the ListCo Schemes Effective Date will be fully and finally discharged by virtue of the implementation of the ListCo Schemes;

(b) the Group will undergo the Group Reorganisation, pursuant to which the entire interests of the Excluded Subsidiaries will be transferred to the ListCo Schemes SchemeCo at a nominal value;

(c) after the ListCo Schemes Effective Date and if and only if the completion of the Subscription having taken place, the New Subscription Proceeds will be injected to the ListCo Schemes as the Scheme Cash Consideration;

(d) the Scheme Shares, representing approximately 10% of the enlarged issued share capital of the ListCo upon Completion, shall be allotted and issued by the Company to the Scheme Administrators or the ListCo Schemes SchemeCo simultaneously with the allotment and issue of the First Loan Conversion Shares and the Subscription Shares, for the benefit of the ListCo Schemes Creditors; and

(e) any realisation from the assets of the ListCo Schemes, which shall comprise, among others, (i) the Scheme Shares; (ii) shares in and assets of the Excluded Subsidiaries; and (iii) the Scheme Cash Consideration, shall be applied for distribution to the ListCo Schemes Creditors with ListCo Admitted Claims; and payment of the costs and expenses for the implementation of the ListCo Schemes.

The ListCo Schemes became effective on 1 November 2021. The Group no longer had any interest in the Excluded Subsidiaries which had been transferred to the ListCo Schemes SchemeCo under the Restructuring.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOUSRES

The Group has applied, for the first time, the following amendments to HKFRSs issued by HKICPA, which are mandatorily effective for their reporting period beginning on or after 1 April 2021.

Amendments to HKFRS 16	COVID-19-related Rent Concessions
Amendments to HKFRS 16	COVID-19-related Rent Concessions beyond 30 June 2021
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

The application of the above amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their services and has reportable operating segments as follows:

(a) global markets business segment composes of brokerage operations including (i) securities and futures brokerage and margin financing operations; (ii) placing, in both equity capital market and debt capital market, and underwriting; and (iii) provision of advisory service for private structured finance transactions and mergers and acquisitions;

(b) asset management business segment offers traditional asset management products and services, including investment advisory services, portfolio management services and transaction execution services, to professional and institutional investors; and

(c) insurance brokerage business segment engages in insurance brokerage business and the provision of wealth management planning and related services.

During the year ended 31 March 2022, the directors of the Company revisited the reporting operating segments and changed structure of the Group's organisation in a manner that causes the composition of its reportable segments to change. The Group is contemplating to develop its asset management division and insurance brokerage division as independent business units as well as a source of cross selling for global markets division to provide placing, sourcing, structuring and advisory services to funds under management of or advised by asset management division. The presentation of new reportable segments comprising of (i) global markets business, (ii) asset management business, and (iii) insurance brokerage business better reflects the Group's allocation of resources and assessment of performance. Accordingly, the corresponding information for the year ended 31 March 2021 has been restated to reflect the newly reportable segments.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that bank and other interest income (excluding interest income from the provision of finance and margin financing), gain on restructuring, restructuring cost, finance costs as well as head office and corporate expenses are excluded from such measurement.

Intersegment transactions are made with reference to the prices used for services made to independent third parties at the then prevailing market prices.

No analysis of the Group's assets and liabilities by operating segments was provided to the management for review during the years ended 31 March 2022 and 2021 for the purposes of resources allocation and performance assessment.

Year ended 31 March 2022/As at 31 March 2022

	Global markets business *HK$'000*	Asset management business *HK$'000*	Insurance brokerage business *HK$'000*	Total *HK$'000*
Segment revenue:				
Sales to external customers	**35,368**	**3,957**	**4,324**	**43,649**
Intersegment sales	**–**	**–**	**6**	**6**
	35,368	**3,957**	**4,330**	**43,655**
Reconciliation:				
Elimination of intersegment sales				**(6)**
Total revenue				**43,649**
Segment results:	**(10,996)**	**7,230**	**521**	**(3,245)**
Reconciliation:				
Bank interest income				**28**
Other interest income				**5**
Corporate and other unallocated expenses				**(43,645)**
Finance costs				**(380,837)**
Gain on restructuring				**3,217,689**
Restructuring cost				**(13,191)**
Profit before tax				**2,776,804**
Other segment information:				
Reversal of provision for impairment loss of accounts receivable, net	**658**	**–**	**–**	**658**
Depreciation				
– operating segment	**(3,285)**	**–**	**–**	**(3,285)**
– unallocated				**(1,049)**
				(4,334)
Capital expenditure				
– Operating segments	**171**	**–**	**–**	**171***
– Unallocated				**330***
				501*

* These amounts represented additions to property, plant and equipment.

Year ended 31 March 2021/As at 31 March 2021

	Global markets business (Restated) *HK$'000*	Asset management business (Restated) *HK$'000*	Insurance brokerage business (Restated) *HK$'000*	Total *HK$'000*
Segment revenue:				
Sales to external customers	23,757	26	2,390	26,173
Intersegment sales	–	–	–	–
	23,757	26	2,390	26,173
Reconciliation:				
Elimination of intersegment sales				–
Total revenue				26,173
Segment results:	(17,239)	26	(3,506)	(20,719)
Reconciliation:				
Bank interest income				282
Other interest income				55
Corporate and other unallocated expenses				(45,500)
Finance costs				(635,905)
Loss before tax				(701,787)
Other segment information:				
Provision for impairment loss of accounts receivable, net	(650)	–	–	(650)
Depreciation				
– operating segment	(2,491)	–	–	(2,491)
– unallocated				(2,552)
				(5,043)
Other financial assets	721,795	–	–	721,795
Capital expenditure				
– Operating segments	798	–	–	798*
– Unallocated				71*
				869*

* These amounts represented additions to property, plant and equipment.

Geographical information

(a) ***Revenue from external customers***

	2022	2021
	HK$'000	*HK$'000*
Hong Kong	**43,649**	26,173

The geographic location of revenue from external customers is based on the location of the customers at which the services were rendered.

(b) ***Non-current assets***

	2022	2021
	HK$'000	*HK$'000*
Hong Kong	**32,046**	29,692
The People's Republic of China ("PRC")	**–**	64
Total	**32,046**	29,756

The geographic location of the non-current assets is based on the location of the operations to which they are allocated.

Information about major customers

Included in revenue arising from major customers which individually accounted for over 10% of the Group's revenue for the year:

	2022	2021
	HK$'000	*HK$'000*
Customer A	**N/A***	3,020
Customer B	**5,226**	N/A*
Customer C	**5,800**	N/A*
Customer D	**4,583**	N/A*

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

All revenue arising from Customers A, B and D and 85% of the revenue arising from Customer C are derived from provision of global markets business and the remaining 15% of the revenue from Customer C is derived from provision of asset management business.

The Group's dividend income and gains/(losses) from the sale of investments at fair value through profit or loss are excluded from total revenue for the purpose of identifying major customers of the Group who accounted for over 10% of the Group's revenue.

4. REVENUE, OTHER INCOME AND GAINS

Revenue represents commission and brokerage income from securities and futures dealings; income from placing, underwriting and advisory services; interest income on margin financing activities; income from asset management services; insurance brokerage income; net gains/(losses) from the sale of investments at fair value through profit or loss; and dividend income from investments at fair value through profit or loss for the year.

An analysis of revenue, other income and gains is as follows:

	2022	2021
	HK$'000	*HK$'000*
Revenue		
Placing, underwriting and advisory fee income	**21,333**	415
Commission and brokerage income from securities and futures dealings	**11,236**	8,012
Insurance brokerage income	**4,324**	2,390
Asset management fee income	**3,957**	26
Interest income on margin financing activities	**2,794**	4,206
Dividend income from investments at fair value through profit or loss	**36**	4
Gains/(losses) from the sale of investments at fair value through profit or loss, net *(note a)*	**(31)**	11,120
	43,649	26,173
Other income and gains		
Bank interest income	**28**	282
Other interest income	**5**	55
Dividend handling charge and other surcharges	**734**	2,260
Foreign exchange differences, net	**722**	1,976
Government grants *(note b)*	**614**	4,476
Referral fee income	**2,674**	–
Gain on termination of a lease contract	**–**	1,234
Others	**1,544**	2,526
	6,321	12,809

Notes:

(a) The gross proceeds from the sale of investments at fair value through profit or loss for the year were approximately HK$1,064,000 (2021: HK$15,230,000).

(b) There are no unfullfilled conditions or contingencies relating to these grants.

5. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	Notes	2022 HK$'000	2021 HK$'000
Employee benefit expenses (excluding directors' remuneration):			
Salaries and allowances		**41,044**	30,487
Retirement benefit scheme contributions (defined contribution scheme) *(note a)*		**977**	802
		42,021	31,289
Auditor's remuneration		**1,814**	1,216
Depreciation		**4,334**	5,043
(Reversal of provision)/provision for impairment loss of accounts receivable, net	*17*	**(658)**	650
Loss on disposal of items of property, plant and equipment, net *(note b)*		**28**	1,182
Loss recognised on termination of a lease of office premise *(note b)*		**–**	14,763
Gain on restructuring	*6*	**(3,217,689)**	–
Loss on disposal of subsidiaries *(note b)*		**178**	–
Impairment loss of prepayments, deposits and other receivables *(note b)*		**904**	–
Restructuring cost *(note b)*		**13,191**	16,461

Notes:

(a) At 31 March 2022, the Group had no material forfeited contributions available to reduce its contributions to the retirement benefit scheme in future years (2021: Nil).

(b) These items are included in "Other expenses, net" for the years ended 31 March 2022 and 2021 in the consolidated statement of profit or loss.

6. GAIN ON RESTRUCTURING

The ListCo Schemes under the Group Restructuring was approved at the Scheme Meetings held on 22 January 2021. The ListCo Schemes was also sanctioned by the High Court and Grand Court on 2 February 2021 (Hong Kong time) and 3 February 2021 (Cayman Islands time) respectively. Accordingly, the ListCo Schemes became effective on 29 October 2021.

Pursuant to the ListCo Schemes, the Company transferred its claims, rights to claim, rights to any assets and the entire equity interests of the Excluded Subsidiaries to the ListCo Schemes on 29 October 2021, the effective date of the ListCo Schemes (the "Transfer"). Accordingly, the Excluded Subsidiaries which were deconsolidated by the Group on 29 October 2021 were disposed through the Transfer.

After the Transfer, dividend distributed by the subsidiaries and the Deconsolidated Companies (hereinafter collectively referred to as the "Excluded Subsidiaries") or recovery from the Excluded Subsidiaries, if any, would be distributed to the creditors under the Creditors' Scheme (the "Scheme Creditors") subject to adjudication. In addition, on the same date, all the claims of the Scheme Creditors against, and liabilities of, the Company discharged and compromised in full other than the payables in relation to professional fees for the Group Restructuring.

As mentioned in note 1(a) in this announcement, the Deconsolidated Subsidiaries were deconsolidated from the consolidated financial statements of the Group from 1 April 2019 onwards. The directors of the Company consider that the transfer of the entire equity interests of the Deconsolidated Subsidiaries to the ListCo Scheme SchemeCo should have no financial impact on the Group's consolidated financial statements for the year ended 31 March 2022.

A gain on restructuring under the ListCo Schemes of approximately HK$3,217,689,000 was recognised during the year ended 31 March 2022 (2021: Nil), being calculated as follows:

	2022
	HK$'000
Assets transferred pursuant to the ListCo Schemes:	
Property, plant and equipment	**422**
Investments at fair value through profit or loss	**100**
Prepayments, deposits and other receivables	**1,097**
Other financial assets	**768,057**
Accounts receivable	**3,704**
Cash and bank balances	**429,960**
	1,203,340
Liabilities discharged pursuant to the ListCo Schemes:	
Borrowings	**2,755,687**
Other payables and accruals	**1,669,756**
Tax payable	**705**
	4,426,148
Net liabilities discharged	**3,222,808**
Release of exchange fluctuation reserve	**(5,119)**
Gain on restructuring	**3,217,689**

7. FINANCE COSTS

	2022	2021
	HK$'000	*HK$'000*
Interests on borrowings	**379,085**	633,164
Interests on lease liabilities	**636**	801
Other finance costs	**1,116**	1,940
	380,837	635,905

8. DECONSOLIDATION OF SUBSIDIARIES

As disclosed in note 1(a) in this announcement, the directors of the Company considered that the control over certain subsidiaries had been lost since 1 April 2019. The assets and liabilities of these subsidiaries were deconsolidated from the consolidated financial statements of the Group since 1 April 2019.

Net assets of these subsidiaries as at the date of loss of control were as follows:

	HK$'000
Property, plant and equipment	951
Goodwill	659,169
Investment in an associate	23,387
Other financial assets	1,148,314
Finance lease receivables	863,326
Prepayments, deposits and other receivables	84,090
Accounts receivable	22,865
Restricted bank deposits	157,312
Cash and bank balances	25,400
Other payables and accruals	(108,126)
Borrowings	(30,313)
Tax payable	(23,073)
Deferred tax liability	(839)
Net assets deconsolidated	2,822,463
Less: Release of exchange fluctuation reserve	(52,085)
Release of statutory reserve	(8,597)
Non-controlling interests	(669,581)
Loss on deconsolidation of subsidiaries	2,092,200

As disclosed in note 6, following the completion of the Restructuring on 1 November 2021, the Deconsolidated Subsidiaries, being part of the assets of the Excluded Subsidiaries, had been transferred to the ListCo Schemes SchemeCo and the Group no longer had any interest in it.

9. INCOME TAX EXPENSE/(CREDIT)

	2022	2021
	HK$'000	*HK$'000*
Current		
Charge/(credit) for the year		
– the PRC	**–**	(95)
Under-provision in prior year	**7,088**	–
Total tax expense/(credit) for the year	**7,088**	(95)

10. EARNING/(LOSS) PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

(a) Basic earning/(loss) per share

The calculation of the basic earning/(loss) per share is based on the profit/(loss) for the year attributable to shareholders of the Company of HK$2,769,719,000 (2021: loss of HK$701,690,000), and the weighted average number of ordinary shares of 8,962,127,412 (2021: 1,868,176,188) in issue during the year.

The calculation of weighted average number of ordinary shares at the end of the reporting period is as follows:

	2022	2021
Number of shares		
Issued ordinary shares at beginning of year	**1,868,176,188**	1,868,176,188
Effect of issue of new shares	**7,093,951,224**	–
Weighted average number of ordinary shares at end of year	**8,962,127,412**	1,868,176,188

(b) Diluted earning/(loss) per share

The calculation of diluted earning/(loss) per share is based on the profit/(loss) for the year attributable to shareholders of the Company of HK$2,769,719,000 (2021: loss of HK$701,690,000), and the weighted average number of ordinary shares of 10,700,659,279 (2021: 1,868,176,188), calculated as follows:

(i) ***Profit/(loss) attributable to shareholders of the Company (diluted)***

	2022 *HK$'000*	2021 *HK$'000*
Profit/(loss) attributable to shareholders	**2,769,719**	(701,690)
Interest on convertible loans	**–**	–
Profit/(loss) attributable to shareholders (diluted)	**2,769,719**	(701,690)

(ii) ***Weighted average number of ordinary shares (diluted)***

	2022	2021
Weighted average number of ordinary shares for the purpose of basic earning/(loss) per share at 31 March	**8,962,127,412**	1,868,176,188
Effect of issue of shares for exercise of convertible loans	**1,738,531,867**	–
Weighted average number of ordinary shares for the purpose of diluted earning/(loss) per share at 31 March	**10,700,659,279**	1,868,176,188

No adjustment has been made to the basic loss per share amount presented for the year ended 31 March 2021 in respect of a dilution as the calculation of diluted loss per share for the year ended 31 March 2021 does not assume the exercise of the Company's outstanding convertible loans as it had an anti-dilutive effect on the basic loss per share.

11. DIVIDENDS

The directors of the Company do not recommend the payment of a dividend for the year ended 31 March 2022 (2021: Nil).

12. GOODWILL

Goodwill allocated to the cash generating unit ("CGU") of insurance and securities brokerage business in Hong Kong of HK$1,505,000 as at 31 March 2022 and 2021. Goodwill allocated to the CGU of financial guarantee and finance leasing business in the PRC ("CGU PRC") was deconsolidated since 1 April 2019 as disclosed in note 8. As disclosed in note 6, following the completion of the Restructuring on 1 November 2021, the CGU PRC, being part of the assets of the Excluded Subsidiaries, was transferred to the ListCo Schemes SchemeCo and the Group no longer had any interest in it.

13. INVESTMENTS IN ASSOCIATES

The Company accounted for their investments in associates using the equity method for the reporting period. There is no sufficient financial information of all the associates for the period from 1 April 2021 to 1 November 2021 and for the years ended 31 March 2021 and 2020 available to the Group because the management of the associates refused to provide such required financial information to the Group. Based on the assessment of the directors of the Company, the Group had fully impaired its investments in associates of approximately HK$341,674,000 during the year ended 31 March 2020 and no information of the assets, liabilities, non-controlling interests, revenue, profit/loss for the year and other comprehensive income of the associates as of, and for the years ended 31 March 2022 and 2021 are presented.

As disclosed in note 6, following the completion of the Restructuring on 1 November 2021, the investments in associates, being part of the assets of the Excluded Subsidiaries, were transferred to the ListCo Schemes SchemeCo and the Group no longer had any interest in associates. As at 31 March 2022, the Group had no investments in associates.

14. OTHER FINANCIAL ASSETS

	2022	2021
	HK$'000	*HK$'000*
Non-current:		
Investments at fair value through other comprehensive income (non-recycling)		
– Unlisted equity investment in the PRC *(note a)*	**–**	721,795
– Listed equity investment in the Philippines *(note b)*	**–**	22,856
	–	744,651

Notes:

(a) As at 31 March 2021, balance represented 12.17% equity interest in a full-licensed securities company in China (Shanghai) Pilot Free Trade Zone (the "Securities Company" or "SSCL") under the framework of the Closer Economic Partnership Arrangement between Mainland China and Hong Kong.

In February 2021, the Group entered into a term sheet with the Scheme Administrators (formerly the Provisional Liquidators), the SSCL Purchaser and the SSCL Secured Creditor (as defined in the circular of the Company dated 26 May 2021) for the disposal of the Securities Company at the consideration of RMB600,000,000 (equivalent to approximately HK$711,128,000). The disposal transaction will proceed to completion after the government approvals, registration and filing procedures incidental to the SSCL Disposal, including but not limited to the approval of the China Securities Regulatory Commission having been obtained or completed.

As stated in the Whitewash Circular, the terms of the ListCo Schemes require that the entire interests of the Excluded Subsidiaries (which term includes SSCL) be transferred to the ListCo Schemes SchemeCo at a nominal value and any realisation from the assets of the ListCo Schemes (which includes shares in and assets of the Excluded Subsidiaries) shall be applied for distribution in accordance with the terms of the ListCo Schemes. Accordingly, regardless of whether or not the SSCL Disposal is completed, the Group no longer holds any controlling interest or beneficial interest in the SSCL upon the ListCo Schemes taking effect on 1 November 2021, notwithstanding that they remain as the registered holder of the SSCL Interest.

(b) The listed equity investment in the Philippines was stated at fair value based on quoted market price in active markets as at 31 March 2021. As disclosed in note 6, following the completion of the Restructuring on 1 November 2021, the listed equity investment, being part of the assets of the Excluded Subsidiaries, was transferred to the ListCo Schemes SchemeCo and the Group no longer had any interest in it.

(c) As at 31 March 2021, the Group had 15.20% equity interest in an investment holding company ("Entity A") which was acquired in April 2018. Due to the non-cooperation of the management of Entity A, the directors of the Company had been unable to obtain and access to the books and records and no sufficient financial information of Entity A as at and for the year ended 31 March 2021 is available to the directors of Company. As such, the fair values of financial asset at fair value through other comprehensive income (non-recycling) of Entity A as at the end of the 31 March 2021 ("FVOCI in Entity A") were estimated by the directors of the Company using the net assets value approach based on Entity A's unaudited management accounts as at 31 March 2020 and adjusted for the factors they considered might affect its fair value. The directors of the Company considered that the basis applied in the fair value assessment of the FVOCI in Entity A including the recognition of fair value loss of HK$841,762,000 during the year ended 31 March 2020 represented their best estimate. There were no carrying amount of Entity A as at 31 March 2021.

As disclosed in note 6, following the completion of the Restructuring on 1 November 2021, the equity interest in Entity A, being part of the assets of the Excluded Subsidiaries, was transferred to the ListCo Schemes SchemeCo and the Group no longer had any interest in it.

(d) The Group's investment in wealth management products from financial institutions in the PRC were deconsolidated since 1 April 2019 as set out in note 8 to the consolidated financial statements. As disclosed in note 6, following the completion of the Restructuring on 1 November 2021, the deconsolidated wealth management products, being part of the assets of the Excluded Subsidiaries, were transferred to the ListCo Schemes SchemeCo and the Group no longer had any interest in it.

15. LOANS RECEIVABLE

	2022	2021
	HK$'000	*HK$'000*
Loans receivable	**–**	1,791,936
Less: Provision for impairment loss	**–**	(1,791,936)
	–	–

All the loans receivable as at 31 March 2021 were unsecured.

Loans receivable, determined based on their age since the effective draw down date of the loans, were all aged over one year, as at 31 March 2021.

The movements in the provision for impairment loss of loans receivable are as follows:

	2022	2021
	HK$'000	*HK$'000*
At beginning of year	**1,791,936**	1,961,145
Discharged pursuant to the ListCo Schemes	**(1,791,936)**	(169,209)
At end of year	**–**	1,791,936

As disclosed in note 6, following the completion of the Restructuring on 1 November 2021, the loans receivable, being part of the assets of the Excluded Subsidiaries, were transferred to the ListCo Schemes SchemeCo and the Group no longer had any interest in it.

16. FACTORING RECEIVABLES

	2022	2021
	HK$'000	*HK$'000*
Factoring receivables	**–**	312,659
Less: Provision for impairment loss	**–**	(312,659)
	–	–

Factoring receivables, determined based on their age since the effective draw down date of the loans, were all aged over one year, as at 31 March 2021.

The movements in the provision for impairment loss of factoring receivables are as follows:

	2022	2021
	HK$'000	*HK$'000*
At beginning of year	**312,659**	299,079
Exchange difference	**–**	13,580
Discharged pursuant to the ListCo Schemes	**(312,659)**	–
At end of year	**–**	312,659

As disclosed in note 6, following the completion of the Restructuring on 1 November 2021, the factoring receivables, being part of the assets of the Excluded Subsidiaries, were transferred to the ListCo Schemes SchemeCo and the Group no longer had any factoring receivables.

17. ACCOUNTS RECEIVABLE

	2022	2021
	HK$'000	*HK$'000*
Accounts receivable arising from the ordinary course of business of:		
– Global markets business:		
Cash clients	**4,360**	–
Margin clients	**5,952**	295,992
Clearing houses	**6,910**	31,315
Corporate advisory business	**3,040**	–
Futures brokerage business	**6**	9,690
– Insurance brokerage business	**1,329**	145
	21,597	337,142
Less: Provision for impairment loss	**(73)**	(158,432)
	21,524	178,710

The settlement terms of accounts receivable attributable to the dealing in securities transactions are two trading days after the trade date except for the balances with margin clients which are repayable on demand or according to agreed repayment schedules, and bearing interest ranging from 2.28% to 15.33% per annum as at 31 March 2022 (2021: 2.38% to 15.07% per annum). The settlement terms of accounts receivable attributable to dealing in futures transactions are repayable on demand and generally up to 12 months. Except for dealing in securities and futures transactions, the trading terms with customers of global markets business, asset management business and insurance brokerage business are mainly on credit. The credit period for customers of global markets business and insurance brokerage business are generally 30 days, extended up to 90 days for major customers. The credit period for customers of asset management business is generally 30 days, extended up to 60 days for certain customers.

An ageing analysis of the accounts receivable as at the end of the reporting period, based on the trade date, is as follows:

	2022	2021
	HK$'000	*HK$'000*
Within 90 days	**18,282**	175,406
Between 91 to 180 days	**275**	112
Between 181 to 365 days	**3,040**	–
Over one year	**–**	161,624
	21,597	337,142

The movements in the provision for impairment loss of accounts receivable are as follows:

	2022	2021
	HK$'000	*HK$'000*
At beginning of year	**158,432**	157,782
Other remeasurement of loss allowance	**(658)**	650
Uncollective amounts written off	**(157,701)**	–
At end of year	**73**	158,432

As disclosed in note 8 in this announcement, the directors of the Company deconsolidated the accounts receivable of the Deconsolidated Subsidiaries from the consolidated financial statements of the Group since 1 April 2019. As disclosed in note 6, following the completion of the Restructuring on 1 November 2021, (i) the accounts receivable of the Deconsolidated Subsidiaries, being part of the assets of the Excluded Subsidiaries; and (ii) accounts receivable of HK$3,704,000 were transferred to the ListCo Schemes SchemeCo and the Group no longer had any interest in them.

18. ACCOUNTS PAYABLE

The balances as at 31 March 2022 and 2021, based on the trade date, were all aged within 90 days.

19. OTHER PAYABLES AND ACCRUALS

	2022	2021
	HK$'000	*HK$'000*
Accrued expenses	**12,146**	31,506
Interest payables	**–**	1,259,276
Other payables	**47**	13,051
	12,193	1,303,833

As disclosed in note 8 in this announcement, the directors of the Company deconsolidated the other payables and accruals of the Deconsolidated Subsidiaries from the consolidated financial statements of the Group since 1 April 2019. As disclosed in note 6, following the completion of the Restructuring on 1 November 2021, (i) the other payables and accruals of the Deconsolidated Subsidiaries, being part of the liabilities of the Excluded Subsidiaries; and (ii) interest payables and other payables of HK$1,669,756,000 were transferred to the ListCo Schemes SchemeCo and the Group was no longer liable to these payable items.

20. BORROWINGS

	2022	2021
	HK$'000	*HK$'000*
Non-current:		
Other borrowings, unsecured	**–**	30,000
Current:		
Bank borrowings, unsecured	**–**	74,000
Other borrowings, secured	**–**	2,682,687
Other borrowings, unsecured	**40,000**	254,021
Total current borrowings	**40,000**	3,010,708
Total borrowings	**40,000**	3,040,708

As disclosed in note 6, following the completion of the Restructuring on 1 November 2021, secured borrowings of HK$2,682,687,000 and unsecured borrowings of HK$73,000,000 were transferred to the ListCo Schemes SchemeCo and the Group was no longer liable to these borrowings.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The below sections set out an extract of the report by Crowe (HK) CPA Limited, the independent auditor of the Company, regarding the consolidated financial statements of the Group for the year ended 31 March 2022.

DISCLAIMER OF OPINION

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

1. Deconsolidation of subsidiaries during the year ended 31 March 2020

As explained in note 2.1(c)* to the consolidated financial statements, as a result of the resignation of certain senior management members of the Company and non-cooperation of the management of certain subsidiaries (the "Deconsolidated Subsidiaries"), the directors of the Company had been unable to obtain and gain access to the books and records and assets of the Deconsolidated Subsidiaries of the Company and had therefore resolved that the Group no longer had the controlling power to govern the financial and operating policies of the Deconsolidated Subsidiaries so as to benefit from their activities. Accordingly, the Deconsolidated Subsidiaries were deconsolidated from the consolidated financial statements of the Group from 1 April 2019 onwards.

Pursuant to the creditors' scheme under the Group's restructuring (the "Creditors' Scheme"), as detailed in note 7[#] to the consolidated financial statements, the Group has effectively disposed of its entire interests in the Deconsolidated Subsidiaries on 29 October 2021.

* *Being note 1(a) in this announcement*

[#] *Being note 6 in this announcement*

Due to limitations on the scope of work on the Group's conclusion of loss of control over the Deconsolidated Subsidiaries and other audit scope limitations, we disclaimed our audit opinion on the Company's consolidated financial statements for the year ended 31 March 2021. The limitation on audit work on the Group's conclusion of loss of control remained unresolved in our audit of the Company's consolidated financial statements for the year ended 31 March 2022.

The directors of the Company have been unable to provide us with a complete set of accounting books and records of the Deconsolidated Subsidiaries. We have therefore been unable to carry out audit procedures to obtain sufficient reliable audit evidence to satisfy ourselves as to whether the Group had lost its control over the Deconsolidated Subsidiaries since 1 April 2019.

Any adjustments found necessary might have effect on the Group's consolidated financial position as at 1 April 2021 and on its consolidated statement of profit or loss, the consolidated statement of comprehensive income and presentation in the consolidated statement of cash flows and the respective disclosures for the year ended 31 March 2022. Our audit opinion on the Company's consolidated financial statements for the year ended 31 March 2022 is also modified for the possible effects of the disclaimer of audit opinion on the Company's consolidated financial statements for the year ended 31 March 2021 on the comparability of the current year's figures and the corresponding figures. The Group's investments in the Deconsolidated Subsidiaries, together with other assets and liabilities were effectively disposed of on 29 October 2021 under the Creditors' Scheme. Any adjustment to the carrying amount of these investments as at 29 October 2021 would have impact on the Group's gain on the restructuring and the related disclosure.

2. Investments in associates

As explained in note 17* to the consolidated financial statements, there is no sufficient financial information of the associates available for the years ended 31 March 2021 and 2020 because the management of the associates refused to provide such required financial information to the Group. Based on the assessment of the directors of the Company, the Group had fully impaired its investments in associates of HK$341,674,000 during the year ended 31 March 2020.

* *Being note 13 in this announcement*

Besides, based on the latest records available to the Company, the Group's shareholding interest in an associate, FreeOpt Holdings Limited, was diluted to 17.61% during the year ended 31 March 2021. As (i) it was not practicable for an audit to be performed on the associates due to insufficient financial information and the non-cooperation of the associates' management; (ii) the audited result of the associates for the year ended 31 March 2021 have not been made available to us as at the date of the Company's consolidated financial statements for the year ended 31 March 2021; and (iii) the directors of the Company were also unable to provide us with adequate information in support of the impairment assessment of investments in associates, together with the basis and rationale of recognising the impairment loss of investments in associates of HK$341,674,000 for the year ended 31 March 2020 and their basis for assessing the carrying amounts of the investments in associates as at 31 March 2021, we disclaimed our audit opinion on the Company's consolidated financial statements for the year ended 31 March 2021.

Pursuant to the Creditors' Scheme, as detailed in note 7[#] to the consolidated financial statements, the Group has effectively disposed of its entire interests in the associates on 29 October 2021. However, as our audit scope limitations in our audit of investments in associates remained unresolved, we have not been able to obtain sufficient information and explanations from the associates' management that we considered necessary in order to enable us to satisfy ourselves as to whether the Group's share of losses and other comprehensive income relating to investments in associates recognised in profit or loss and other comprehensive income for the period from 1 April 2021 to the date of restructuring and presentation in the consolidated statement of cash flows and the related disclosures were fairly stated. Consequently, we have not been able to obtain sufficient appropriate audit evidence to satisfy ourselves as to whether the Group's gain on restructuring was fairly stated. Any adjustment to the amount of the above investments in associates as at 31 March 2021 found to be necessary would have a consequential impact on the Group's share of losses and other comprehensive income relating to investments in associates recognised in profit or loss and other comprehensive income for the year ended 31 March 2022, gain on restructuring and the related disclosures. Our audit opinion on the Company's consolidated financial statements for the year ended 31 March 2022 is also modified for the possible effects of the disclaimer of audit opinion on the Company's consolidated financial statements for the year ended 31 March 2021 on the comparability of the current year's figures and the corresponding figures.

[#] *Being note 6 in this announcement*

3. Investment in an unlisted equity investment

As explained in note 19* to the consolidated financial statements, the Group held a financial asset classified as at fair value through other comprehensive income (non-recycling) with respect to 15.20% equity interest in an investment holding company ("Entity A") as at 31 March 2021 ("FVOCI in Entity A"). A fair value loss of HK$841,762,000 has been recognised in the consolidated statement of comprehensive income during the year ended 31 March 2020 for such FVOCI in Entity A. Management assessed there was no change in the fair value of FVOCI in Entity A during the year ended 31 March 2021.

In assessing the fair value of FVOCI in Entity A as at 31 March 2021, the directors of the Company adopted the net assets value approach based on Entity A's unaudited management accounts for the year ended 31 March 2020 and adjusted for the factors they considered might affect its fair value to estimate its fair value as described in note 19* to the consolidated financial statements. The Group, however, is unable to obtain sufficient financial information of Entity A as at and for the year ended 31 March 2021 because of the non-cooperation of the management of Entity A. The directors of the Company considered that the basis applied in the fair value assessment of the FVOCI in Entity A represents their best estimate. We were unable to obtain sufficient appropriate audit evidences we considered necessary to assess the appropriateness of the basis of valuation of the FVOCI in Entity A as at 31 March 2021 adopted by the directors of the Company, including access to the management of Entity A to assess the appropriateness and accuracy of the financial information, and to obtain the latest audited financial information of Entity A and reliable information to support the adjustments made to the net assets value of Entity A, we therefore disclaimed our audit opinion on the Company's consolidated financial statements for the year ended 31 March 2021. There were no other satisfactory procedures that we could perform to determine whether any adjustments to the carrying amount of the FVOCI in Entity A as at 31 March 2021 and the related fair value change were necessary.

Pursuant to the Creditors' Scheme, as detailed in note 7# to the consolidated financial statements, the Group has effectively disposed of its entire interests in Entity A on 29 October 2021. However, as our audit scope limitations in our audit of FVOCI in Entity A remained unresolved, we have not been able to obtain sufficient appropriate audit evidence to satisfy ourselves as to whether the Group's fair value change in relating to FVOCI in Entity A recognised in other comprehensive income for the period from 1 April 2021 to the date of restructuring and gain on restructuring were fairly stated. Any adjustment to the amount of the above investment in Entity A as at 31 March 2021 found to be necessary would have a consequential impact on the gain on restructuring and the related disclosures. Our audit opinion on the Company's consolidated financial statements for the year ended 31 March 2022 is also modified for the possible effects of the disclaimer of audit opinion on the Company's consolidated financial statements for the year ended 31 March 2021 on the comparability of the current year's figures and the corresponding figures.

* *Being note 14 in this announcement*

\# *Being note 6 in this announcement*

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND FINANCIAL REVIEW

Key Events

On 24 June 2021, our Chairman Dr. Cheng Chi-Kong, Adrian *JP* ("Dr. Cheng"), as a new investor, completed a capital injection of approximately HK$161 million that was used to settle, as part of an agreed debt settlement agreement, with one of the lenders of the Arta TechFin Corporation Limited (the "Company") and its subsidiaries (collectively the "Group") in order to release and discharge the lender's security interests over the Group's licensed corporations. This was part of a white-knight takeover by Dr. Cheng (the "Takeover") of the Group which included a debt restructuring plan (the "Restructuring"), as announced by the Group in September 2020. These licensed corporations would remain in the Group under the Restructuring.

On 1 November 2021, the Group successfully completed the Restructuring, had its winding-up petition dismissed and provisional liquidator discharged. Trading of the shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") resumed on the same day. As part of the Restructuring, all claims of the old creditors (equivalent to approximately HK$4.21 billion as of 31 March 2021) were fully discharged and certain subsidiaries ("Excluded Subsidiaries") were transferred out of the Group for the benefit of the old creditors under a scheme of arrangement; new shares equivalent to approximately 10% of the Group were issued for the benefit of the old creditors, and Dr. Cheng injected additional capital of approximately HK$120 million into the Group, among other actions. The Excluded Subsidiaries are no longer held by the Group.

During the fiscal year, as part of the Takeover, the Group appointed a new management team comprising high-calibre industry veterans with proven track records in investment banking and asset management.

Liquidity, financial resources and capital structure

As at 31 March 2022, the Group had total assets, net current assets and net assets of approximately HK$133 million (2021: HK$1,418 million), HK$36 million (2021: net current liabilities of HK$3,714 million) and HK$65 million (2021: net liabilities of HK$2,975 million) respectively, and cash and bank balances of HK$68 million (2021: HK$399 million). The current ratio (current assets/current liabilities) was 1.57 (2021: 0.15). The Group had no secured borrowings (2021: HK$2,683 million) and unsecured borrowings of HK$40 million (2021: HK$358 million). Gearing ratio, calculated on the basis of the Group's borrowings divided by the equity attributable to the shareholders of the Company was 61.8% at 31 March 2022 (2021: were not available as the Group had deficit in its equities). The borrowings of the Group were non-interest bearing. The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Hong Kong dollar and US dollar. As Hong Kong dollar is pegged to US dollar, the foreign exchange risk exposures are considered limited. The Group did not have any financial instruments used for hedging purpose. In last year's independent auditor's report, the Group had a disclaimer opinion with multiple uncertainties of going concern but in the latest for the year ended 31 March 2022 independent auditor's report, the going concern opinion was removed.

Financial Performance

For the year ended 31 March	2022 *HK$'000*	2021 *HK$'000*	Change
Consolidated turnover	43,649	26,173	66.8%
General and administrative expenses	89,207	65,939	35.3%
Consolidated net profit/(loss)	2,769,716	(701,692)	N/A

For the year ended 31 March 2022, the Group's consolidated turnover was HK$44 million (2021: HK$26 million) and its general and administrative expenses were HK$89 million (2021: HK$66 million). General and administrative expenses increased by 35% primarily due to non-recurring expenses incurred as part of the Restructuring and trading resumption. These included legal expenses, fees paid to financial advisors, and the hiring of a compliance consultant to review and upgrade our internal controls and compliance policies and deal with certain licensing issues.

We recorded a significant increase in consolidated net profit for the year ended 31 March 2022 to HK$2,770 million (2021: net loss of HK$702 million), primarily due to a one time net gain on the Restructuring of HK$3,218 million, which offset finance costs of HK$381 million and remuneration to employees of HK$50 million. Basic earning per share was HK$0.31 (2021: loss of HK$0.38); diluted earning per share was HK$0.26 (2021: loss of HK$0.38).

The Group did not achieve the forecast results contained in the announcement dated 29 October 2021 due to: unforeseen deterioration in the primary and secondary capital markets in Hong Kong in the fourth quarter of 2021 (affecting the Group's global markets business), continuing regulatory actions affecting technology companies and widening financial problems among property companies in China dampening investor appetite (affecting the Group's asset management business), repeated delay in the reopening of the border with Mainland China and delay in obtaining regulatory approval for the responsible officer (affecting the Group's insurance brokerage business). Due to the coronavirus pandemic and geopolitical conflict between Russia and Ukraine, adverse market conditions did not relent from the time when the Group issued a business update at the end of February, until 31 March 2022.

The Group recorded a reversal of an allowance for expected credit losses as a reversal of provision for impairment loss of accounts receivable of HK$658,000 for the year ended 31 March 2022 for its accounts receivable balance arising mainly from the decrease in the balance of margin clients of the Group at the end of 31 March 2022 (2021: provision for HK$650,000).

Finance costs of HK$381 million for the year ended 31 March 2022 (2021: HK$636 million) were mainly due to interest accrued due to default and cross-default on certain borrowings.

Other income and gains substantially decreased to HK$6 million for the year ended 31 March 2022 (2021: HK$13 million). The decrease was mainly due to the decrease of government grants in Hong Kong and partially offset by miscellaneous income earned from our securities brokerage operation.

The Group recorded net unrealised loss on investments at fair value through profit or loss of HK$425,000 for the year ended 31 March 2022 (2021: net gain of HK$99,000).

Income tax expense amounted to HK$7 million for the year ended 31 March 2022 (2021: tax credit HK$95,000) is the under-provision of Hong Kong profits tax for prior year. As disclosed in the circular of the Company dated 26 May 2021, Arta Global Markets Limited ("AGML", formerly known as Freeman Securities Limited), a wholly-owned subsidiary of the Company had a dispute with the Inland Revenue Department regarding (a) the gain from disposal of the stock of a company for the year of assessment 2015/2016; and (b) the management fee paid to a company for the years of assessment 2014/2015 and 2015/2016. In January 2022, the tax dispute was settled between the Inland Revenue Department and AGML by payment of taxable amount of HK$7,087,608.

Final Dividend

The Board of Directors does not recommend the payment of a final dividend for the year ended 31 March 2022 (2021: Nil).

Business Review

Our business is organised into three segments: (1) Global markets business, which includes our brokerage and investment banking businesses; (2) Asset management business; and (3) Insurance brokerage business. Revenue grew in all three segments during the year ended 31 March 2022 primarily due to the efforts of the new management team and the addition in investment banking businesses. However, our realised revenue was significantly lower than our forecasts provided in the resumption of trading announcement on 29 October 2021 (the "Forecasts") and there is an operating loss instead of operating profits as originally forecasted due to the reasons mentioned above.

For the year ended 31 March Segmental Revenue	**2022** ***HK$'000***	**2021** ***HK$'000***	**Change**
Global markets business	35,368	23,757	48.9%
Asset management business	3,957	26	15,119.2%
Insurance brokerage business	4,324	2,390	80.9%
Total revenue	43,649	26,173	66.8%

Global markets business

Historically, our global markets business was primarily focused on retail brokerage. After the arrival of the new management team, we added new investment banking businesses of corporate and mergers and acquisitions ("M&A") advisory and expanded our placing and underwriting business to include structured finance transactions. The new products and services increased our fee-based income and reduced our reliance on commission and margin finance income. As a result, our global markets business revenue for the year ended 31 March 2022 increased by 46% to HK$35 million from HK$24 million in 2021. We believe there would be greater revenue improvement were it not for the adverse market conditions, and that the full potential of the global markets business has yet to be realised.

Asset management business

Our asset management business offers traditional asset management products and services, including investment advisory, portfolio management and transaction execution, to professional and institutional investors. During the year ended 31 March 2022, our asset management business revenue was HK$4 million (2021: HK$26,000) due to several new investment advisory mandates completed during the period. This is a new business line aroused from the on boarding of high-calibe senior management team since June 2021 who brought in new capital and clientele for expansion of our asset under management. We underperformed the Forecasts primarily because we had planned to launch a number of funds in the fourth quarter of 2021 focused on the technology and property sector in China. However, the regulatory scrutiny on technology companies and the financial problems of property companies in China resulted in significant uncertainty in those sectors and dampened investors' appetite for fund exposure.

Insurance brokerage business

Our insurance brokerage business engages in the distribution of insurance products to corporate and individual clients and the provision of wealth management planning and related services, especially in the Hong Kong and Greater Bay Area ("GBA") region. During the year ended 31 March 2022, our insurance brokerage revenues increased to HK$4 million from HK$2 million in 2021 principally due to higher sales of insurance products. Our insurance brokerage business has been severely impacted since the beginning of the COVID-19 pandemic due to the travel restrictions. We performed below the Forecasts primarily because the travel restrictions were not relaxed and the license approval for our new responsible officer took longer than expected.

INVESTMENTS IN ASSOCIATES

As at 31 March 2022, the Group had no investments associates. At 31 March 2021, the Group held investments in associates representing (i) 31.74% effective shareholding interest in Imagination Holding, (ii) 28.13% shareholding interest in Jocasta Ventures Ltd, and (iii) 17.61% shareholding interest in FreeOpt Holdings Limited. The Group accounted for the investments in associates using the equity method. Following the completion of the Restructuring on 1 November 2021, the investments in associates, being part of the assets of the Excluded Subsidiaries, was transferred to the ListCo Schemes SchemeCo and the Group no longer had any interest in the associates.

OTHER FINANCIAL ASSETS

As at 31 March 2022, the Group had no other financial asset. As at 31 March 2021, the Group had non-current other financial assets of HK$745 million, representing (i) an unlisted equity investment with 12.17% equity interest in Shengang Securities Company Limited (the "Securities Company"), a full-licensed securities company in China (Shanghai) Pilot Free Trade Zone of the Closer Economic Partnership Arrangement between Mainland China and Hong Kong of HK$722 million (with an original investment cost of Renminbi ("RMB") 525 million), representing 50.9%) of the total assets of the Group of HK$1,418 million; and (ii) listed securities of The Philippine Stock Exchange, Inc. ("PSE", whose shares are listed on The Philippine Stock Exchange, Inc., symbol: PSE) with a carrying amount of HK$23 million (with an original investment cost of Philippines Peso ("PHP") 252 million), representing 1.6% of the total assets of the Group, representing 1.2% of PSE's total issued shares. Following the completion of the Restructuring on 1 November 2021, both the abovementioned unlisted equity investment in the Securities Company and listed equity investment in PSE, being part of the assets of the Excluded Subsidiaries, were transferred to the ListCo Schemes SchemeCo and the Group no longer had any interest in other financial assets.

i. Securities Company

The Securities Company was principally engaged in securities brokerage, securities underwriting and sponsoring, securities trading and securities asset management related businesses in China. Based on the unaudited financial statements of the Securities Company for the nine months ended 30 September 2021, the Securities Company recorded revenue of RMB910 million (equivalent to HK$1,093 million) (Audited for the year ended 31 December 2020: RMB1,422 million (equivalent to HK$1,599 million)), net profit for the nine months ended 30 September 2021 of RMB173 million (equivalent to HK$208 million) (Audited for the year ended 31 December 2020: RMB331 million (equivalent to HK$372 million)), total assets as at 30 September 2021 of RMB11,674 million (equivalent to HK$14,187 million) (At 31 December 2020: RMB9,535 million (equivalent to HK$11,307 million)) and net assets as at 30 September 2021 of RMB4,567 million (equivalent to HK$5,550 million) (At 31 December 2020: RMB4,407 million (equivalent to HK$5,226 million)). During the year ended 31 March 2022, the Securities Company did not have material impact on the earnings of the Group.

References are made to the circular of the Company dated 26 May 2021 and the announcements of the Company dated 29 October 2021 and 11 January 2022. On 10 November 2020, AGML, the Scheme Administrators (formerly the Provisional Liquidators), Jiangsu Shagang Group Company Limited*（江蘇沙鋼集團有限公司）(the "SSCL Purchaser") and Cheery Plus Limited (the "SSCL Secured Creditor") entered into a term sheet, pursuant to which AGML conditionally agreed to sell, and the SSCL Purchaser conditionally agreed to acquire, 12.17% of shareholding interest in the Securities Company at the consideration of RMB600 million.

On 9 February 2021, AGML, the Scheme Administrators, the SSCL Purchaser and the SSCL Secured Creditor entered into the SSCL Disposal Supplemental Term Sheet, pursuant to which the parties agreed to amend and supplement the terms of the SSCL Disposal Term Sheet. On the same date, AGML, the Scheme Administrators and the SSCL Purchaser entered into the SSCL Share Transfer Agreement, pursuant to which AGML conditionally agreed to sell, and the SSCL Purchaser conditionally agreed to acquire, the SSCL Interest at the consideration of RMB600 million.

The SSCL Purchaser has paid RMB90 million to the Scheme Administrators as deposit. The SSCL Disposal will proceed to completion after the government approvals registration and filing procedures, including but not limited to the approval of the China Securities Regulatory Commission having been obtained or completed. As at the date of this announcement, the SSCL Disposal has not completed. As stated in the circular of the Company dated 26 May 2021, the terms of the ListCo Schemes require that the entire interests of the Excluded Subsidiaries (which term includes SSCL) be transferred to the ListCo Schemes SchemeCo at a nominal value and any realisation from the assets of the ListCo Schemes (which includes shares in and assets of the Excluded Subsidiaries) shall be applied for distribution in accordance with the terms of the ListCo Schemes. Accordingly, regardless of whether or not the SSCL Disposal is completed, the Group no longer holds any controlling interest or beneficial interest in the SSCL upon the ListCo Schemes taking effect on 1 November 2021, notwithstanding that they remain as the registered holder of the SSCL Interest.

* *for identification purpose only*

ii. PSE

PSE and its subsidiaries were principally engaged in the provision of trading, clearing, depository and information services for the equity market in the Philippines. The stock price of the listed securities of PSE as at 29 October 2021 amounted to PHP220.0 (equivalent to HK$34) per share (2021: PHP142.8 (equivalent to HK$23) per share). Based on the published unaudited financial information of PSE for the three quarters ended 30 September 2021, PSE and its subsidiaries recorded revenue of PHP1,102 million (equivalent to HK$174 million) (Audited for the year ended 31 December 2020: PHP1,314 million (equivalent to HK$205 million)), profit for the three quarters ended 30 September 2021 of PHP542 million (equivalent to HK$86 million) (Audited for the year ended 31 December 2020: PHP657 million (equivalent to HK$103 million)), total assets as at 30 September 2021 of PHP7,130 million (equivalent to HK$1,098 million) (At 31 December 2020: PHP6,806 million (equivalent to HK$1,097 million)) and net assets as at 30 September 2021 of PHP5,354 million (equivalent to HK$825 million) (At 31 December 2020: PHP5,465 million (equivalent to HK$881 million)). During the year ended 31 March 2022, PSE did not have material impact on the earnings of the Group. Following the completion of the Restructuring on 1 November 2021, the listed securities of PSE, being part of the assets of the Excluded Subsidiaries, was transferred to the ListCo Schemes SchemeCo. As at the date of this announcement, the Group no longer had any interest in the listed securities of PSE.

iii. Entity A

Following the completion of the Restructuring on 1 November 2021, an unlisted equity investment with 15.20% in an investment holding Company ("Entity A"), with an original investment cost of HK$600 million, being part of the assets of the Excluded Subsidiaries, was transferred to the ListCo Schemes SchemeCo. As at the date of this announcement, the Group no longer had any interest in Entity A. Due to the non-cooperation of the management of Entity A, the directors of the Company (the "Directors") had been unable to obtain and access to the books and records and no sufficient financial information of Entity A during the reporting period is available to the Directors. There were no carrying amount of Entity A as at 1 November 2021 and 31 March 2021 and no fair value gain or loss of investment in Entity A was recorded for the year ended 31 March 2022 (2021: Nil).

INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS

Investment at fair value through profit of loss carries value less than 5% of the Group's net assets as at 31 March 2022 and 2021.

The Group recorded net unrealised loss of investments at fair value through profit or loss of HK$425,000 for the year ended 31 March 2022 (2021: net gain of HK$99,000).

The Group realised its investments in listed securities with a carrying value of HK$1 million (2021: HK$4 million) for aggregate gross proceeds of HK$1 million (2021: HK$15 million), resulting net realised loss of investments at fair value through profit or loss of HK$31,000 for the year ended 31 March 2022 (2021: net gain of HK$11 million).

DECONSOLIDATION OF COMPANIES LOST CONTROL

Since the books and records of some of the Company's subsidiaries (i.e. Wins Finance and its subsidiaries) are not available to the Scheme Administrators and the Directors, the Directors cannot ascertain the financial position of those subsidiaries after 31 March 2019. Together with the fact that the Company has lost control over those subsidiaries, the Directors are of the view that those subsidiaries should be deconsolidated from the Group with effect from 1 April 2019. Following the completion of the Restructuring on 1 November 2021, the Deconsolidated Subsidiaries, being part of the Excluded Subsidiaries, had been transferred to the ListCo Schemes SchemeCo and were no longer belonged to the Group.

PLEDGE OF ASSETS

Following the completion of the Restructuring on 1 November 2021, the below secured borrowings were relieved and there would have no claim against the Group in respect of their indebtedness upon Resumption. As at the end of the reporting period, the Group had no secured borrowings.

As at 31 March 2021, US$90 million (equivalent to HK$702 million) of borrowings were secured by the shares in the capital of certain wholly-owned subsidiaries of the Company, 20% equity interest of Wins Finance held by the Group, and personal guarantees given by Mr. Zhang Yongdong ("Mr. Zhang", a former substantial shareholder of the Company) and his spouse.

As at 31 March 2021, US$76 million (equivalent to HK$593 million) and HK$185 million of borrowings were secured by certain shares in the capital of a wholly-owned subsidiary of the Company, 17.26% equity interest of Wins Finance held by the Group, certain shares held by Mr. Zhang and personal guarantees given by Mr. Zhang and his spouse.

As at 31 March 2021, US$99 million (equivalent to HK$772 million) of borrowings were secured by 30% equity interest of Wins Finance held by the Group.

As at 31 March 2021, HK$429 million of borrowings were secured by 12.17% equity interest of the Securities Company held by the Group.

EVENTS AFTER REPORTING PERIOD

Save as disclosed elsewhere in this announcement, the Group had no other significant events after the reporting period.

CONTINGENT LIABILITIES

On 27 September 2021, the Provisional Liquidators applied to the High Court for dismissal of the Petition and discharge of Provisional Liquidators, upon which, on 4 October 2021, the High Court ordered that, the Petition be dismissed and the Provisional Liquidators be discharged on 1 November 2021, with liberty to the Petitioner and the Provisional Liquidators to apply.

Subsequent to the dismissal of Petition and discharge of Provisional Liquidators on 1 November 2021, and save as disclosed elsewhere in this announcement, the Group is not aware of other material contingent liabilities as at 31 March 2022.

EMPLOYEES' REMUNERATION POLICY AND RETIREMENT BENEFITS SCHEME

As at 31 March 2022, the Group employed 68 staff members including the Executive Directors of the Company (2021: 67 staff members). Staff costs incurred for the year, including directors' remuneration, were HK$50 million (2021: HK$38 million). The Company has adopted a share option scheme and the Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance for its employees. During the Period, no share options were granted, exercised, cancelled or lapsed. The Company had no outstanding scheme options after the close of business on 15 January 2021.

PROSPECTS

Within our ***global markets business***, our brokerage product offerings are currently limited to Hong Kong and U.S. stocks and futures. To mitigate cyclical impact and diversify our income streams, we are in advanced discussions with leading global product partners to expand our offerings to include: new markets for equities, futures, options and exchange traded funds ("ETFs"); fixed income products including bonds, commodities and structured notes; fund products; and over-the-counter ("OTC") derivatives.

The Group has entered into a memorandum of understanding ("MOU") with Mr. Guo Dan, one of the co-founders of Baidu Inc., to establish a technology platform that will provide SaaS (software as a service) solutions for front-end and back-end support services tailored to our brokerage business. As the product matures, it will be rolled out to third parties including our institutional, family office and corporates.

For our ***asset management business***, we are in preparation to launch two new funds in the second half of 2022. One of the funds will invest in private companies involved in blockchain and metaverse infrastructure, while the other will be a multi-strategy fund-of-funds. Our subsidiary, Arta Asset Management Limited, will be a co-General Partner ("GP") in both of these funds.

In parallel with our above efforts, we are rapidly expanding beyond our retail clientele. In the second half of 2022, we will place priority in acquiring professional investors ("PIs") including family offices, licensed funds, corporates and high net worth individuals. In the first half of 2023, we will expand to target a new class of mass affluent retail investors who are usually millennials, tech-savvy, active in investing and have strong conviction to escalate themselves to individual PIs. There has been a sustained increase in Virtual Assets ("VA") awareness and investment appetite in recent years.

The release of the "Joint Circular on Intermediaries' VA-related activities" by the Securities and Futures Commission of Hong Kong ("SFC") and Hong Kong Monetary Authority ("HKMA") in Jan 2022 further clarifies their approach towards regulating this new asset class. Many market participants have accelerated their plans for Hong Kong license application. We are in consultation with our regulator for an uplift of certain licensing conditions to enable dealing and trading in VA. In the meantime, we are in advanced discussions with Hong Kong institutions that are licensed in VA business for collaboration in product distribution.

We currently only provide custodian services for Hong Kong stocks via our the Central Clearing And Settlement System ("CCASS") account. We have recently started to provide our customers with custodian services for bonds and notes and plan to expand our custodian capabilities to include stocks in other markets and VA.

As part of our aspiration to become the best technology-enabled financial service provider in the region, we are developing a new trading interface that will be a significant upgrade from the existing one to cope with expanded product offerings and clientele, including VA. To cope with our new business development, we have assembled an experienced team of top-notch talents, with expertise and track records in trading platform development, equity derivatives trading, prime brokerage services, market risk management, cybersecurity, blockchain technology, and digital wallet development among others.

CHANGE OF COMPANY NAME, STOCK SHORT NAME, LOGO AND WEBSITE

Following the approval of the change of Company name by the shareholders of the Company by way of special resolution at the annual general meeting, the Registrar of Companies in the Cayman Islands has issued the Certificate of Incorporation on Change of Name dated 29 September 2021 confirming the change of the English name of the Company from "Freeman FinTech Corporation Limited" to "Arta TechFin Corporation Limited" and the dual foreign name in Chinese of the Company from "民眾金融科技控股有限公司" to "裕承科金有限公司". The Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company dated 18 October 2021 was issued by the Registrar of Companies in Hong Kong, confirming the registration of the new name of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). Accordingly, the stock short name of the Company for trading in the shares of the Company on the Stock Exchange had been changed from "FREEMAN FINTECH" to "ARTA TECHFIN" in English and from "民眾金融科技" to "裕承科金" in Chinese with effect from 9:00 a.m. on 1 November 2021. The stock code of the Company remains unchanged.

In October 2021, the Company had adopted a company logo to reflect the new name of the Company, which will be printed on the relevant corporate documents of the Company, including but not limited to interim and annual reports, announcements, circulars and press releases.

On 1 November 2021, the Company's website had been changed from "http://www.freeman279.com" to "http://www.artatechfin.com".

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the listed securities of the Company.

AUDIT COMMITTEE

As at the date of this announcement, the Audit Committee comprises of two Independent Non-executive Directors ("INEDs"), namely Ms. Ling Kit Sum Imma and Dr. Tam Lai Fan Gloria, and one Non-executive Director, namely Mr. Han Kam Leung, Michael. All members had been appointed on 29 October 2021. The Company has no Audit Committee from 28 February 2020, the appointment of the Provisional Liquidators, to 29 October 2021, and the Provisional Liquidators took the role for managing relevant affairs of the Company during the period. The Group's audited consolidated results for the year ended 31 March 2022 have been reviewed by the Audit Committee of the Company.

REVIEW OF THIS ANNUAL RESULTS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 March 2022 as set out in the preliminary announcement have been agreed by the Company's auditor, Crowe (HK) CPA Limited, to the amounts set out in the Group's consolidated financial statements for the year ended 31 March 2022. The work performed by Crowe (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Crowe (HK) CPA Limited on the preliminary announcement.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("Listing Rules") as its own code on corporate governance practices. During the reporting period, the Company appeared to comply, based on the information available to the directors of the Company (the "Directors"), with the code provisions as set out in the CG Code, except for the following and saved as otherwise disclosed in this announcement:

– Section F of the CG Code - Since the Company had no company secretary from 6 March 2020, the Company was unable to comply with relevant code provisions under Section F. The Company had no company secretary until the appointment of Ms. Chau Yuen Ching Ruby ("Ms. Chau") to fill the casual vacancy of the position of the company secretary with effect from 29 October 2021. Since Ms. Chau's appointment as the company secretary, the relevant deviation to Section F of the CG Code was remediated.

– Section J and Code Provision A.2.1 of the CG Code - The Company had no chairman of the board from 1 July 2021 and had no chief executive director of the Company ("CEO") from 16 March 2020. Mr. Lau Fu Wing, Eddie ("Mr. Lau") had been appointed to fill the casual vacancy of the position of the CEO with effect from 1 June 2021. Dr. Cheng Chi-Kong, Adrian *JP* ("Dr. Cheng") had been appointed to fill the casual vacancy of the position of the Chairman of the board of Directors of the Company (the "Board") with effect from 29 October 2021. Since Mr. Lau's appointment as the CEO and Dr. Cheng's appointment as the Chairman of the Board, the deviations to Section J and Code Provision A.2.1 were remediated. During the absence of a Chairman and a CEO, the Provisional Liquidators had taken up the roles.

– Section L and Code Provision C.3 of the CG Code - Following the appointment of the Provisional Liquidators on 28 February 2020, the powers of the Directors had been transferred to and assumed by the Provisional Liquidators that they had the power to authorise any Director as they think fit to assist them in managing the affairs of the Company. No INEDs had been involved in any affairs of the Company, thus, the Audit Committee, Remuneration Committee and Nomination Committee (collectively, the "Board Committees") had not been maintained until 29 October 2021.

  Ms. Ling Kit Sum Imma, Mr. Lo Chun Yu Toby and Dr. Tam Lai Fan Gloria have been appointed as INEDs to fill the casual vacancy with effect from 29 October 2021. The Board Committees have been set up on 29 October 2021 accordingly. Since their appointment as the INEDs and the formation of the Board Committees, the deviation to Section L and Code Provision C.3 of the CG Code have been remediated.

– Code Provision A.6.7 of the CG Code - Three INEDs were unable to attend the annual general meeting of the Company held on 28 September 2021 as they had other engagements.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry with all Directors, the Company confirmed that throughout the Period, all Directors have complied with the required standards set out in the Model Code.

ANNUAL GENERAL MEETING

A notice convening the annual general meeting will be published and dispatched to the shareholders of the Company in accordance with the requirements of the Listing Rules and the articles of association of the Company in due course.

PUBLICATION OF FINANCIAL INFORMATION

This annual results announcement is published on the websites of the Stock Exchange (http://www.hkex.com.hk) and the Company (http://www.artatechfin.com). The annual report will be despatched to the shareholders of the Company and available on the above websites in due course.

By Order of the Board
Arta TechFin Corporation Limited
Lau Fu Wing, Eddie
Chief Executive Officer

Hong Kong, 28 June 2022

As at the date of this announcement, the Board comprises the following Directors:–

Executive Directors:
Mr. Lau Fu Wing, Eddie *(Chief Executive Officer)*
Ms. Li Chuchu, Tracy
Ms. Yeung Shuet Fan Pamela

Non-executive Directors:
Dr. Cheng Chi-Kong, Adrian *JP (Chairman)*
Mr. Han Kam Leung, Michael

Independent Non-executive Directors:
Ms. Ling Kit Sum Imma
Mr. Lo Chun Yu Toby
Dr. Tam Lai Fan Gloria