Astrum Financial Holdings Limited
阿仕特朗金融控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8333)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

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

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

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

ANNUAL RESULTS

The board of Directors (the "**Board**") is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 December 2017 (the "**Year**") together with the comparative audited figures for the year ended 31 December 2016 (the "**Corresponding Year**"). The financial information has been approved by the Board.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2017

	Notes	**2017** ***HK$'000***	2016 *HK$'000*
Revenue	5	**58,118**	58,089
Other income		**2,075**	1,771
Administrative and other operating expenses		**(32,318)**	(38,510)
Finance costs		**(278)**	(106)
Profit before tax	6	**27,597**	21,244
Income tax expense	7	**(4,732)**	(4,326)
Profit and total comprehensive income for the year attributable to owners of the Company		**22,865**	16,918
Earnings per share			
– Basic and diluted *(HK cents)*	9	**2.86**	2.33

Details of dividends are disclosed in Note 8 to the financial information.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2017

	Notes	**2017** **HK$'000**	2016 HK$'000
Non-current assets			
Property, plant and equipment		**1,705**	1,847
Intangible assets		**950**	450
Other assets		**12,806**	547
Deferred tax assets		**50**	42
		15,511	2,886
Current assets			
Trade receivables	10	**74,627**	96,125
Deposits, prepayments and other receivables		**1,049**	1,139
Bank balances and cash			
– General accounts and cash		**99,198**	67,220
– Trust accounts		**76,406**	189,434
		251,280	353,918
Total assets		**266,791**	356,804
Current liabilities			
Trade payables	11	**92,089**	196,596
Other payables and accruals		**1,375**	1,732
Current tax liabilities		**281**	295
		93,745	198,623
Net current assets		**157,535**	155,295
Net assets		**173,046**	158,181
Capital and reserves			
Equity attributable to owners of the Company			
Share capital	12	**8,000**	8,000
Reserves		**165,046**	150,181
Total equity		**173,046**	158,181

Notes:

1. GENERAL INFORMATION

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

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

The Company is an investment holding company. The Group is principally engaged in the provision of brokerage services, placing and underwriting services, corporate finance advisory services, financing services including securities and initial public offering financing and asset management services.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is the same as the functional currency of the Company.

2. BASIS OF PRESENTATION

Prior to the corporate reorganisation undertaken in preparation for the listing of the Company's shares on GEM of the Stock Exchange (the "**Reorganisation**"), the group entities were under the control of Mr. Pan. Through the Reorganisation, the Company became the holding company of the companies now comprising the Group on 23 June 2016. Accordingly, for the purpose of the preparation of the consolidated financial statements of the Group, the Company has been considered as the holding company of the companies now comprising the Group throughout the year ended 31 December 2016. The Group comprising the Company and its subsidiaries resulting from the Reorganisation is regarded as a continuing entity. The Group was under the control of Mr. Pan prior to and after the Reorganisation.

The consolidated financial statements have been prepared as if the Company had been the holding company of the Group throughout the year ended 31 December 2016 in accordance with Accounting Guideline 5 "*Merger Accounting for Common Control Combinations*" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). The consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31 December 2016, which include the results, changes in equity and cash flows of the companies now comprising the Group, have been prepared as if the current group structure had been in existence throughout the year ended 31 December 2016.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time in the current year:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle

The application of the 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.

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments[1]
HKFRS 15	Revenue from Contracts with Customers[1]
HKFRS 16	Leases[2]
HKFRS 17	Insurance Contracts[3]
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration[1]
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments[2]
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions[1]
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts[1]
Amendments to HKFRS 9	Prepayment Features with Negative Compensation[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKFRS 15	Clarifications to HKFRS 15 Revenue from Contracts with Customers[1]
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures[2]
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle[1]
Amendments to HKAS 40	Transfers of Investment Property[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle[2]

[1] Effective for annual periods beginning on or after 1 January 2018.
[2] Effective for annual periods beginning on or after 1 January 2019.
[3] Effective for annual periods beginning on or after 1 January 2021.
[4] Effective for annual periods beginning on or after a date to be determined.

HKFRS 9 Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirement of HKFRS 9 which is relevant to the Group is in relation to the impairment of financial assets. HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit loss are recognised.

Based on the Group’s financial instruments and risk management policies, application of HKFRS 9 in the future may have an impact on the Group’s financial assets. The expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised cost. The Directors anticipate that the adoption of HKFRS 9 in the future may not have other significant impact on amounts reported in respect of the Group’s financial assets and financial liabilities based on an analysis of the Group’s financial instruments as at 31 December 2017.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The Directors anticipate that the application of HKFRS 15 in the future will not have a material impact on the amounts reported in the Group's consolidated financial statements in the future based on the existing business model of the Group as at 31 December 2017 but more disclosures relating to revenue may be required.

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, among others. For the classification of cash flows, the Group currently presents operating lease payments as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2017, the Group has non-cancellable operating lease commitments of approximately HK$2,039,000. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. The Directors do not expect the adoption of HKFRS16 as compared with the current accounting policy would result in significant impact on the result and the net financial position of the Group.

The Directors anticipate that the application of the other new and revised HKFRSs will have no material impact on the consolidated financial statements of the Group.

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies Ordinance.

The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements.

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

5. REVENUE AND SEGMENT INFORMATION

HKFRS 8, *Operating Segments*, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the executive directors of the Company, being the chief operating decision maker (the "**CODM**"), for the purposes of resource allocation and performance assessment. During the year, the CODM assesses the operating performance and allocates the resources of the Group as a whole as the Group is primarily engaged in the provision of brokerage services, placing and underwriting services, corporate finance advisory services, financing services including securities and initial public offering financing and asset management services. Therefore, the Directors consider that the Group only has one operating segment.

The CODM reviews the overall results and financial position of the Group as a whole based on the same accounting policies of the Group and no further analysis for segment information is presented.

Revenue from major services

The Group's revenue from its major services are as follows:

	2017	2016
	HK$'000	*HK$'000*
Commission from brokerage services	**10,955**	11,756
Placing and underwriting commission	**31,861**	37,463
Corporate finance advisory services fee	**3,705**	2,650
Interest income from securities and initial public offering financing	**8,888**	5,249
Asset management services		
– Fund management and performance fee	**2,709**	971
	58,118	58,089

Geographical information

The Company is domiciled in the Cayman Islands with the Group's major operations located in Hong Kong. All of the Group's revenue from external customers during the years ended 31 December 2017 and 2016 are derived from Hong Kong, the place of domicile of the Group's operating subsidiary. All the non-current assets of the Group are located in Hong Kong.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the Group's total revenue are as follows:

	2017	2016
	HK$'000	*HK$'000*
Customer A	**12,618**	N/A[1]
Customer B	**6,408**	N/A[1]
Customer C	**N/A[1]**	14,175
Customer D	**N/A[1]**	6,400

[1] The corresponding revenue did not contribute over 10% of the Group's total revenue.

6. PROFIT BEFORE TAX

	2017	2016
	HK$'000	*HK$'000*
Profit before tax has been arrived at after charging/(crediting):		
Auditors' remuneration	**700**	600
Commission expenses	**4,613**	12,835
Depreciation of property, plant and equipment	**994**	894
Gain on disposal of property, plant and equipment	**(15)**	–
Impairment losses recognised on trade receivables	**1,519**	–
Net foreign exchange loss	**–**	19
Operating lease payments in respect of rented premises	**2,039**	2,039
Listing expenses	**–**	3,202
Employee benefits expense:		
Salaries and other benefits	**14,650**	12,094
Commission to accounts executives	**1,108**	598
Contributions to retirement benefit scheme	**325**	258
Total employee benefits expense, including directors' emoluments	**16,083**	12,950

7. INCOME TAX EXPENSE

	2017	2016
	HK$'000	*HK$'000*
Hong Kong Profits Tax:		
– Current year	**4,721**	4,400
– Under-provision in prior years	**19**	37
	4,740	4,437
Deferred tax:	**(8)**	(111)
	4,732	4,326

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits arising in or derived from Hong Kong for both years.

8. DIVIDENDS

	2017	2016
	HK$'000	*HK$'000*
Dividends recognised as distribution during the year		
First interim dividend paid: HK$0.005 per share	**4,000**	–
Second interim dividend paid: HK$0.005 per share	**4,000**	–
	8,000	–

No final dividend was proposed by the Board for the year ended 31 December 2017 (2016: Nil).

9. EARNINGS PER SHARE

	2017	2016
	HK$'000	*HK$'000*
Earnings		
Profit for the year attributable to owners of the Company for the purpose of basic earnings per share	**22,865**	16,918

	2017	2016
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**800,000,000**	725,409,836

The weighted average number of ordinary shares for the purpose of basic earnings per share for the year ended 31 December 2017 was derived from 800,000,000 ordinary shares in issue.

The weighted average number of ordinary shares for the purpose of basic earnings per share for the year ended 31 December 2016 was derived from 660,000,000 ordinary shares in issue as if these 660,000,000 ordinary shares were outstanding throughout the year and the effect of share offer by the Company as set out in Note 12.

The diluted earnings per share is equal to the basic earnings per share as there is no dilutive potential ordinary share in issue during years ended 31 December 2017 and 2016.

10. TRADE RECEIVABLES

	2017	2016
	HK$'000	*HK$'000*
Trade receivables arising from the ordinary course of business of:		
Dealing in securities		
Clients – cash	**8,748**	18,848
Clients – margin	**41,737**	72,089
Clearing house	**1,706**	4,495
Broker	**72**	–
Subscriptions of new shares in initial public offering	**22,909**	–
	75,172	95,432
Dealing in futures contracts		
Clearing house	**209**	–
Corporate finance advisory services	**360**	610
Asset management services	**405**	83
	76,146	96,125
Less: Impairment allowance for dealing in securities	**(1,519)**	–
	74,627	96,125

The settlement terms of trade receivables arising from the ordinary course of business of dealing in securities from cash clients, clearing house and a broker are two days after trade date, and of trade receivables arising from the ordinary course of business of dealing in futures contracts are one day after trade date.

The credit terms of trade receivables arising from the ordinary course of business of corporate finance advisory services and asset management services are 7 days or due upon issuance of invoice and 30 days respectively.

The ageing analysis of the trade receivables arising from cash clients, clearing houses and a broker which are past due but not impaired at the end of the reporting period, based on the trade date, is as follows:

	2017	2016
	HK$'000	*HK$'000*
Neither past due nor impaired	**10,735**	8,528
Past due but not impaired:		
Less than 1 month	**–**	12,428
1 to 3 months	**–**	1,980
More than 3 months	**–**	407
Total	**10,735**	23,343

The ageing analysis of the trade receivables arising from corporate finance advisory services and asset management services at the end of the reporting period, based on invoice date, are as follows:

	2017	2016
	HK$'000	*HK$'000*
Neither past due nor impaired	**405**	83
Past due but not impaired:		
Less than 1 month	**360**	610
Total	**765**	693

11. TRADE PAYABLES

	2017	2016
	HK$'000	*HK$'000*
Trade payables arising from the ordinary course of business of:		
Dealing in securities		
Clients – cash	**61,817**	178,659
Clients – margin	**29,307**	17,937
	91,124	196,596
Dealing in futures contracts		
Clients	**965**	–
	92,089	196,596

The settlement terms of trade payables arising from the ordinary course of business of dealing in securities are two days after trade date, and of trade payables arising from the ordinary course of business of dealing in futures contracts are one day after trade date.

12. SHARE CAPITAL

Details of the Company's authorised and issued ordinary share capital are as follows:

	Number of ordinary shares	Share capital *HK$'000*
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 January 2016	38,000,000	380
Increase on 23 June 2016 *(Note (i))*	1,962,000,000	19,620
At 31 December 2016 and 31 December 2017	2,000,000,000	20,000
Issued and fully paid:		
At 1 January 2016	100	–
Issue of shares pursuant to Reorganisation *(Note (ii))*	659,999,900	6,600
Issue of shares by share offer *(Note (iii))*	140,000,000	1,400
At 31 December 2016 and 31 December 2017	800,000,000	8,000

Notes:

(i) Pursuant to the written resolution passed by the shareholders on 23 June 2016, the authorised share capital of the Company was increased from HK$380,000 to HK$20,000,000 by the creation of an additional of 1,962,000,000 ordinary shares of HK$0.01 each which, upon issue, shall rank pari passu in all respect with the then existing issued ordinary shares.

(ii) Pursuant to the Reorganisation and as consideration for the acquisition by the Company of the entire issued share capital of Major Harvest Investments Limited from Autumn Ocean Limited and Ample Honesty Limited on 23 June 2016, (a) 80 nil-paid ordinary shares held by Autumn Ocean Limited and 20 nil-paid ordinary shares held by Ample Honesty Limited were credited as fully paid; and (b) 527,999,920 ordinary shares and 131,999,980 ordinary shares were allotted and issued to Autumn Ocean Limited and Ample Honesty Limited respectively, and were credited as fully paid.

(iii) On 14 July 2016, the Company issued 140,000,000 ordinary shares of HK$0.01 each pursuant to the Company's listing on GEM of the Stock Exchange by way of share offer at a price of HK$0.60 per ordinary share.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW

The Hong Kong securities market was vibrant in 2017. It was particularly robust and active in the fourth quarter due to the increasing southbound capital inflows which boosted up the market capitalisation of the securities market. On the last trading day of 2017, the market capitalisation of the securities market reached HK$33,998.8 billion, surpassing the previous record of HK$31,549.9 billion set on 26 May 2015. The IPO market sentiment was also exuberant after the offering of Tencent-backed IPOs including Zhong An Online P&C Insurance, China Literature and Yixin Group. The following sets out market statistics relating to the business of the Group:

	2016	**2017**	Change
Average daily turnover of Hong Kong securities market	HK$66.9 billion	**HK$88.2 billion**	+31.8%
Hang Seng Index	22,000.56	**29,919.15**	+36.0%
Initial public offering ("**IPO**")			
– Number of newly listed companies (including the number of transfer of listings from GEM to Main Board)	126	**174**	+38.1%
– Total fund raised	HK$195.3 billion	**HK$128.2 billion**	-34.4%
Placing			
– Number of transactions (2017: provisional data)	380	**307**	-19.2%
– Total fund raised (2017: provisional data)	HK$154.1 billion	**HK$339.3 billion**	+120.2%
Rights issue and open offers			
– Number of transactions	80	**69**	-13.8%
– Total fund raised	HK$57.3 billion	**HK$58.9 billion**	+2.8%

Source: Website of the Stock Exchange

BUSINESS REVIEW

The Group is principally engaged in the provision of brokerage services, placing and underwriting services, corporate finance advisory services, financing services and asset management services. The Company was successfully listed on GEM of the Stock Exchange by way of share offer (the "**Share Offer**") on 14 July 2016 (the "**Listing Date**").

Brokerage services

For the Year, the Group continued to offer brokerage services principally for securities traded in Hong Kong. As at 31 December 2017, the Group had 202 active customers (2016: 172), among which, the ten largest active customers contributed approximately 62.7% (2016: approximately 70.1%) of the commission income from brokerage services.

In August 2017, the principal operating subsidiary of the Group, Astrum Capital Management Limited ("**Astrum Capital**") was successfully approved as an exchange participant of Hong Kong Futures Exchange Limited (the "**HKFE**") under the category of futures commission merchant and a HKFE Clearing Corporation Limited participant under the category of clearing participant. After various testing of application software and connection with the Stock Exchange, set-up of relevant risk and internal control systems and allocation of manpower, the Group has started trial provision of brokerage services for futures contracts to limited clients since October 2017.

In January 2018, Astrum Capital was approved by HKFE to trade in the options market at HKFE. Trial provision of brokerage services for options contracts has been commenced since February 2018.

In February 2018, Astrum Capital was approved as a China Connect Exchange Participant and a China Connect Clearing Participant for the use of China Connect Service in connection with Shenzhen-Hong Kong Stock Connect and for the clearing and settlement of China Connect Securities Trades executed under Shenzhen-Hong Kong Stock Connect respectively with effect from 5 March 2018. Up to the date of this announcement, the Group has not yet launched the brokerage services to eligible stocks listed on the Shanghai Stock Exchange and Shenzhen Stock Exchange.

Placing and underwriting services

During the Year, the Group completed 20 placing and underwriting engagements (2016: 19 engagements), among which, 9 engagements were IPOs, 5 engagements were placing of new shares and 6 engagements were rights issue. Revenue derived from underwriting service in respect of IPOs and rights issue amounted to approximately HK$30.3 million during the Year (2016: approximately HK$29.4 million) while revenue derived from placing service in respect of placing of new shares amounted to approximately HK$1.6 million during the Year (2016: approximately HK$8.1 million).

Corporate finance advisory services

The Group was engaged in 15 corporate finance advisory engagements during the Year (2016: 13 engagements), among which, 7 financial advisory engagements contributed a total revenue of approximately HK$2.0 million and 8 independent financial advisory engagements contributed a total revenue of approximately HK$1.7 million.

Financing services

Financing services of the Group recorded a remarkable growth during the Year due to the keen demand for financing services from customers and the expansion of funds available for financing services by approximately HK$61.6 million from the net proceeds of Share Offer. The financing services was particularly strong during the first half of the Year but it exhibited a downward trend in the fourth quarter.

The Group had a revolving loan facility of HK$70 million from a licensed money lender from January 2017 to January 2018 and a bank overdraft facility of HK$8 million from a bank from April 2017 to December 2017. During the Year, the Group had drawn on such revolving loan facility when the internal resources of the Group were insufficient to satisfy the demand for financing services. The stagging facilities for IPO loan from a bank are still available as at the date of this announcement.

Asset management services

During the Year, the Group had been acting as the investment manager of Astrum Absolute Return China Fund (the "**Astrum China Fund**"). As at 31 December 2017, the asset under management of Astrum China Fund was approximately US$8.2 million (2016: approximately US$6.5 million) and the net asset value per share was approximately US$1,287.141 (2016: approximately US$1,013.385).

ACHIEVEMENT OF BUSINESS OBJECTIVES

As set out in the prospectus of the Company dated 30 June 2016 (the "**Prospectus**"), the principal business objective of the Group is to further strengthen the position of the Group in the financial services industry in Hong Kong by (i) further developing the core business by expanding financing services including securities and IPO financing; (ii) expanding the asset management business; and (iii) extending brokerage services to eligible stocks listed on the Shanghai Stock Exchange through Shanghai-Hong Kong Stock Connect.

(i) Expanding financing services including securities and IPO financing

After the Share Offer in July 2016, the Group has applied majority of the net proceeds from the Share Offer to financing services including securities and IPO financing in August 2016. With these additional capital resources and coupled with keen demand for financing services from customers, the interest income of the Group increased by approximately 71.2% from approximately HK$5.2 million for the Corresponding Year to approximately HK$8.9 million for the Year. The Directors will continue to closely monitor the liquidity level of the Group and strike the balance between expanding the loan portfolio and credit risk arising from default of payment from customers.

(ii) Expanding the asset management business

Leveraged on the experiences of the asset management team, the net asset value per share ("**NAV/share**") of Astrum China Fund recorded an annual growth of approximately 27.0% for the Year, while the Hang Seng Index recorded an increase of approximately 36.0% during the same period. The NAV/share of Astrum China Fund as of July 2017 surpassed the high water mark achieved in 2015 and it kept raising until December 2017. Accordingly, the Group recorded performance fee of approximately HK$1.5 million during the Year.

(iii) Extending brokerage services to eligible stocks listed on the Shanghai Stock Exchange through Shanghai-Hong Kong Stock Connect

The Group has not yet extended the brokerage services to eligible stocks listed on the Shanghai Stock Exchange through Shanghai-Hong Kong Stock Connect as customers did not show keen interest on such service. The Group will continuously monitor the customers' responses and demand for the service of Shanghai-Hong Kong Stock Connect. Upon receiving favourable response from a number of customers, the Directors will proactively consider to launch not only the service of Shanghai-Hong Kong Stock Connect, but also the service of Shenzhen-Hong Kong Stock Connect.

FINANCIAL REVIEW

Revenue

Total revenue of the Group for the Year was approximately HK$58.1 million, which was nearly the same for the Corresponding Year.

Commission from brokerage services decreased slightly from approximately HK$11.8 million for the Corresponding Year to approximately HK$11.0 million for the Year, representing a decrease of approximately 6.8%.

Revenue derived from placing and underwriting services decreased from approximately HK$37.5 million for the Corresponding Year to approximately HK$31.9 million for the Year, representing a decrease of approximately 14.9%. Such decrease was mainly due to the decrease in the average income derived from the top 5 placing and underwriting engagements from approximately HK$6.0 million for the Corresponding Year to approximately HK$4.9 million for the Year.

Corporate finance advisory services fee increased from approximately HK$2.7 million for the Corresponding Year to approximately HK$3.7 million for the Year, representing an increase of approximately 37.0%. Such increase was mainly due to the increase in average revenue for each corporate finance advisory engagement charged and undertaken by the Group for the Year.

Interest income from securities and IPO financing increased from approximately HK$5.2 million for the Corresponding Year to approximately HK$8.9 million for the Year, representing an increase of approximately 71.2%. Such increase was triggered by the keen demand for financing services from customers and the expansion of funds available for financing services by approximately HK$61.6 million from the net proceeds of Share Offer.

Asset management fee increased from approximately HK$1.0 million for the Corresponding Year to approximately HK$2.7 million for the Year, representing an increase of approximately 170.0%. For the Year, a management fee and a performance fee of approximately HK$1.2 million and HK$1.5 million respectively were recognised. For the Corresponding Year, the Group only recognised a management fee of approximately HK$1.0 million and no performance fee was charged as the net asset value of Astrum China Fund did not surpass the high water mark achieved in 2015.

Other income

Other income increased from approximately HK$1.8 million for the Corresponding Year to approximately HK$2.1 million for the Year, representing an increase of approximately HK$0.3 million.

Administrative and other operating expenses

Administrative and other operating expenses decreased from approximately HK$38.5 million for the Corresponding Year to approximately HK$32.3 million for the Year, representing a decrease of approximately 16.1%. Such decrease was mainly due to (i) the decrease in commission expenses in respect of the placing and underwriting services from approximately HK$12.8 million for the Corresponding Year to approximately HK$4.6 million for the Year; and (ii) the absence of listing expenses for the Year while the same for the Corresponding Year amounted to approximately HK$3.2 million, and partially offset by (i) the increase in salaries and other benefits from approximately HK$13.0 million for the Corresponding Year to approximately HK$16.1 million for the Year; and (ii) the impairment loss recognised on trade receivables from a margin client of approximately HK$1.5 million for the Year.

Finance costs

The increase in the finance costs from approximately HK$106,000 for the Corresponding Year to approximately HK$278,000 for the Year was mainly due to (i) the increase in IPO financing which in turn led to the increase in utilisation of IPO loan borrowed from a bank; and (ii) the increase in utilisation of the revolving loan facility from the licensed money lender.

Profit for the Year

As a result of the foregoing, profit increased by approximately HK$6.0 million, or approximately 35.5%, from approximately HK$16.9 million for the Corresponding Year to approximately HK$22.9 million for the Year.

PROSPECTS

The Hong Kong securities market is expected to be full of challenge in 2018. The continuous southbound capital inflows and the mega-sized IPOs from renowned mainland enterprises would continue to boost up the market sentiment. However, the impact of global stock market would also pose crisis to the Hong Kong securities market such as the sudden crash in stock price in early February 2018.

While brokerage service, margin financing service and asset management service are expected to be affected by the market environment, the management of the Group will continue to spend its effort in sustaining existing clients while reaching out to broaden the client base for the placing and underwriting business and corporate finance advisory business.

Subsequent to 31 December 2017 and up to the date of this announcement, the Group completed 1 placing and underwriting engagement and had 1 placing and underwriting engagement and 6 corporate finance advisory engagements in progress.

USE OF PROCEEDS

In respect of the net proceeds of approximately HK$68.4 million raised from the Share Offer, up to the date of this announcement, (i) approximately HK$61.6 million has been deployed for the expansion of financing services; (ii) approximately HK$4.0 million has been used as general working capital for payment of rent and management fee and compliance adviser fee; and (iii) approximately HK$2.8 million is kept at bank for future use as general working capital as stated in the Prospectus.

EMPLOYEE INFORMATION

As at 31 December 2017, the Group had 23 employees (2016: 21 employees) and 4 account executives (2016: 5 account executives). Total staff costs (including directors' remuneration) were approximately HK$16.1 million (2016: approximately HK$13.0 million).

Employees' remuneration was determined based on the employees' qualification, experience, position and seniority. Assessment of employee remuneration is conducted annually to determine whether any bonus or salary adjustments are required to be made.

The Group adopted a share option scheme (the "**Scheme**"). Since its adoption, no options have been granted or agreed to be granted pursuant to the Scheme and, therefore, there were no outstanding options as at 31 December 2017 (2016: NIL).

Majority of the employees are licensed with the Securities and Futures Commission of Hong Kong (the "**SFC**") as responsible officers or licensed representatives and therefore are required to comply with the continuous professional training requirements. From time to time, the Group provides in-house continuous professional training and updates on changes or development in the financial industry including the revisions on rules and regulations to update the employees' knowledge and skills so as to maintain their professional competence and keep them remaining fit and proper.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

During the Year, the Group mainly financed its operations, capital expenditure and other capital requirements by internal resources and net proceeds raised from the Share Offer and occasionally financed its financing services by bank overdraft facility, IPO stagging bank loan facility and revolving loan facility granted by the licensed money lender.

As at 31 December 2017,

(i) the total assets of the Group amounted to approximately HK$266.8 million (2016: approximately HK$356.8 million) and the total equity attributable to owners of the Company amounted to approximately HK$173.0 million (2016: approximately HK$158.2 million). The decrease in total assets of the Group was mainly due to (i) the decrease in bank balances in trust accounts of approximately HK$113.0 million; and (ii) the decrease in trade receivables from cash and margin clients, net of allowance for doubtful debts, of approximately HK$42.0 million. Such decrease was partially offset by (i) the increase in bank balances in general accounts and cash of approximately HK$32.0 million; (ii) the increase in collateral paid to HKSCC in the amount of approximately HK$10.8 million; and (iii) the existence of trade receivables due to the subscription of new shares in initial public offering in the amount of approximately HK$22.9 million by the end of 2017.

    Due to the decrease in the total assets of the Group as discussed above and the decrease in trade payables in the amount of approximately HK$104.5 million, the total equity attributable to owners of the Company recorded an increment as at 31 December 2017;

(ii) the net current assets of the Group amounted to approximately HK$157.5 million (2016: approximately HK$155.3 million) and the current ratio of the Group, being the ratio of current assets to current liabilities, was approximately 2.7 times (2016: approximately 1.8 times). The net current assets of the Group as at 31 December 2016 and 31 December 2017 remained stable. As the decreasing rate of the current liabilities (52.8%) was greater than that of the current assets (29.0%), the current ratio of the Group increased from approximately 1.8 times as at 31 December 2016 to approximately 2.7 times as at 31 December 2017;

(iii) the total bank balances and cash of the Group, which were substantially denominated in Hong Kong Dollars, amounted to approximately HK$175.6 million (2016: approximately HK$256.7 million). Such decrease was mainly due to the decrease in bank balances in trust accounts of approximately HK$113.0 million and offset by the increase in general accounts and cash of approximately HK$32.0 million; and

(iv) the Group did not have any debt (2016: NIL) and therefore gearing ratio was not applicable.

CHARGES ON THE GROUP'S ASSETS

The Group did not have any charges of assets as at 31 December 2017 (2016: NIL).

FOREIGN EXCHANGE EXPOSURE

The turnover and business costs of the Group were principally denominated in Hong Kong dollars. Therefore, the exposure to the risk of foreign exchange rate fluctuations for the Group was minimal and no financial instrument for hedging was employed during the Year.

SIGNIFICANT INVESTMENTS

The Group did not hold any significant investments during the Year.

MATERIAL ACQUISITIONS OR DISPOSALS

During the Year, the Group did not conduct any material acquisition or disposal of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at the date of this announcement, there was no plan authorised by the Board for any material investments or additions of capital assets.

COMMITMENTS

As at 31 December 2017, the Group did not have any gross commitment (2016: approximately HK$676.9 million) in respect of the underwriting and sub-underwriting agreements with independent third parties in relation to rights issue and initial public offering of shares listed/to be listed in Hong Kong.

Save as disclosed above, the Group did not have any capital commitments as at 31 December 2017 (2016: NIL).

CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 31 December 2017 (2016: NIL).

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving and maintaining high standards of corporate governance to safeguard the stakeholders' interest and to enhance their confidence and support. For the Year, the Company has adopted and complied with the code provisions of the Corporate Governance Code ("**CG Code**") as set out in Appendix 15 to the GEM Listing Rules except the deviation from CG Code provisions A.2.1. The Board will review and continue to enhance the Company's corporate governance standards, as the Directors believe that sound internal controls and effective corporate governance practices are essential for encouraging accountability and transparency so as to sustain the success of the Group and to create long-term value for the shareholders of the Company.

CG Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Pan Chik has been managing and supervising the overall operations of the Group since 2007. The Board believes that vesting the roles of chairman and chief executive officer in Mr. Pan is beneficial to the business operations and management of the Group and will provide a strong and consistent leadership to the Group. The Board also believes that the Company already has a strong corporate governance structure in place to ensure effective oversight of management.

DIRECTORS' SECURITIES TRANSACTIONS

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

SHARE OPTION SCHEME

The Scheme was adopted by the shareholders of the Company on 23 June 2016. Unless otherwise cancelled or amended, the Scheme will remain in force for a period of 10 years. Under the Scheme, the Board shall be entitled to offer to grant a share option to any eligible participant whom the Board may select at its absolute discretion. No share options have been granted under the Scheme since its effective date and up to 31 December 2017.

NON-COMPETITION UNDERTAKING

Each of Mr. Pan Chik, Autumn Ocean Limited, Mr. Ng Yau Sing ("**Mr. Ng**") and Ample Honesty Limited as covenantor (each a "**Covenantor**", collectively, "**Covenantors**") entered into a deed of non-competition dated 23 June 2016 in favour of the Company (the "**Deed of Non-competition**").

Pursuant to the Deed of Non-competition, each of the Covenantors has irrevocably and unconditionally undertaken to the Company (for itself and for the benefit of the Company's subsidiaries) that, save and except as disclosed in the prospectus, so far as the Deed of Non-competition continues to remain effective, he/it shall not, and shall procure that his/its close associates (other than any member of the Group) not to develop, acquire, invest or be interested, whether directly or indirectly, in any business in competition with or likely to be in competition with the existing business activity of any member of the Group within Hong Kong and such other parts of the world where any member of the Group may operate from time to time, save for the holding of not more than 5% shareholding interests (individually or with his/its close associates) in any company listed on a recognised stock exchange and at any time the relevant listed company shall have at least one shareholder (individually or with his/its close associates, if applicable) whose shareholding interests in the relevant listed company is higher than that of the relevant Covenantor (individually or with his/its close associates). Each of the Covenantors further undertakes that if he/it or his/its close associates other than any member of the Group is offered or becomes aware of any business opportunity which may compete with the business of the Group, he/it shall procure that his/its close associates to promptly notify the Group in writing and the Group shall have a right of first refusal to take up such opportunity. The independent non-executive Directors will review, on an annual basis, the compliance with the Deed of Non-competition by the Covenantors, and be responsible for deciding whether or not to allow any of the Covenantors and/or his/its close associates to involve or participate in any business in competition with or likely to be in competition with the existing business activity of any member of the Group within Hong Kong and such other parts of the world where any member of the Group may operate from time to time and if so, any condition to be imposed. The Company will disclose decisions on matters reviewed by the independent non-executive Directors relating to compliance and enforcement of the Deed of Non-competition of the Covenantors in the annual reports of the Company.

A summary of the major terms of the Deed of Non-competition was disclosed in the section headed "Relationship with our Controlling Shareholders" of the Prospectus.

Confirmation from Mr. Pan and Autumn Ocean Limited

The Company received from Mr. Pan and Autumn Ocean Limited four confirmations respectively in April, July and October 2017 and January 2018 on their compliance of the non-competition undertaking under the Deed of Non-competition ("**Pan's Undertaking**") for the respective period from 1 January 2017 to 31 March 2017, 1 April 2017 to 30 June 2017, 1 July 2017 to 30 September 2017 and 1 October 2017 to 31 December 2017. The independent non-executive Directors have reviewed the compliance of Pan's Undertaking and evaluated the effectiveness of the implementation of the Deed of Non-competition, and were satisfied that Mr. Pan and Autumn Ocean Limited have complied with Pan's Undertaking during the Year.

Confirmation from Mr. Ng and Ample Honesty Limited

The Company also received from Mr. Ng and Ample Honesty Limited a confirmation ("**Ng's Confirmation**") in April 2017 on their compliance of the non-competition undertaking under the Deed of Non-competition ("**Ng's Undertaking**") for the period from 1 January 2017 to 31 March 2017. As disclosed in Ng's Confirmation, Unique Prosperity Limited ("**Unique Prosperity**"), a company which is owned as to 5% by Mr. Ng and 95% by the spouse of Mr. Ng, Ms. Leung Yuet Kwan Belinda ("**Mrs. Ng**"), as at the date of Ng's Confirmation, held approximately 16.83% of the issued share capital in Universe International Financial Holdings Limited ("**Universe**"), a company listed on the Main Board of the Stock Exchange whose principal business activities include, amongst other things, securities brokerage and margin financing which are carried out by one of its subsidiaries, China Jianxin Financial Services Limited ("**China Jianxin**"). The deemed interest of Mr. Ng in more than 5% shareholding interest in Universe appears to be a non-compliance of Ng's Undertaking (the "**Incident**"). For details of the Incident and its settlement, please refer to the annual results announcement of the Company dated 24 March 2017 and the announcement dated 12 June 2017.

As notified by Mr. Ng, on 18 April 2017, Ample Honesty Limited disposed of 72,000,000 shares in the Company, representing 9% of the issued share capital of the Company. Immediately after such disposal, neither Mr. Ng, Ample Honesty Limited nor each of their respective close associates was interested any securities of the Company. Pursuant to the terms of the Deed of Non-competition, Ng's Undertaking was terminated on the date on which Mr. Ng and Ample Honesty Limited ceased to be interested in 5% or more of issued share capital of the Company. Accordingly, Mr. Ng and Ample Honesty Limited were no longer required to confirm each of their compliance of the non-competition undertaking under the Deed of Non-competition from 18 April 2017 onwards.

DIVIDEND

During the board meeting of the Company held on 28 April 2017, the Board declared an interim dividend ("**Q1 Dividend**") of HK$0.005 per ordinary share for the three months ended 31 March 2017 (three months ended 31 March 2016: Nil). Such declared Q1 Dividend in the total amount of HK$4.0 million was paid to the shareholders of the Company on 8 June 2017.

During the board meeting of the Company held on 2 August 2017, the Board did not recommend the payment of any interim dividend for the three months ended 30 June 2017 (three months ended 30 June 2016: Nil).

During the board meeting of the Company held on 7 November 2017, the Board declared an interim dividend ("**Q3 Dividend**") of HK$0.005 per share for the three months ended 30 September 2017 (three months ended 30 September 2016: Nil). Such declared Q3 Dividend in the total amount of HK$4.0 million was paid to the shareholders of the Company on 15 December 2017.

During the board meeting of the Company held on 28 February 2018, the Board did not recommend the payment of final dividend for the Year (2016: Nil).

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's redeemable or listed securities during the Year.

EVENT AFTER THE REPORTING PERIOD

The management has been continuously monitoring the margin position of each securities trading account in order to mitigate the credit risk associated with the financing business of the Group. In November 2017, the management noted that the trading of the securities collateral of a margin account (the "**Account**") was suspended with outstanding margin loan amount of approximately HK$7.7 million (together with the interest accrued thereon, collectively the "**Margin Loan**"). Astrum Capital had repeatedly issued margin calls to the holder of Account ("**Account Holder**") and demanded for immediate settlement but still failed to collect the Margin Loan. To protect the financial resources of the Group, by the end of 2017, the Directors started to explore the possibility of disposing of the Margin Loan to other parties at a discount in order to recover a certain amount of the Margin Loan as soon as possible.

After negotiations with various parties, on 6 February 2018, Astrum Capital and a money lender registered under the Money Lenders Ordinance (Cap. 163 of the Laws of Hong Kong) which is an independent third party (the "**Participant**") entered into a participation agreement (the "**Participation Agreement**"), pursuant to which Astrum Capital agreed to sell, without recourse, and the Participant agreed to purchase the undivided participating interest and benefit of Astrum Capital in the margin securities account agreement entered into between Astrum Capital and the Account Holder (including the right to principal advanced and interest accrued but specifically excluding any right or power to enforce the collateral) at a consideration of approximately HK$6.1 million, representing a discount of 20% to the Margin Loan of approximately HK$7.6 million as at 31 January 2018. Pursuant to the Participation Agreement, Astrum Capital shall promptly remit to the Participant all repayment of principal of and interest on the Margin Loan actually paid, collected or otherwise realised from the Account Holder.

The Directors are of the view that the entering into of the Participation Agreement could enable the Group to recover a certain amount of the Margin Loan earlier, thereby reducing the uncertainty and the credit risks associated with the Margin Loan. Hence, the Directors believed that the entering into of the Participation Agreement is in the best interest of the Group and its shareholders as a whole.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "**AGM**") will be held on Wednesday, 18 April 2018. A formal notice of the AGM will be published and despatched to the shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

The transfer books and register of members of the Company will be closed from 13 April 2018 (Friday) to 18 April 2018 (Wednesday), both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending the AGM, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 12 April 2018 (Thursday).

AUDIT COMMITTEE

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

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

SCOPE OF WORK OF AUDITORS

The financial 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 December 2017 as set out in this announcement have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited, Certified Public Accountants, to the amounts set out in the Group's audited consolidated financial statements for the Year and the amounts were found to be in agreement. The work performed by HLB Hodgson Impey Cheng 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 HLB Hodgson Impey Cheng Limited on this announcement.

ANNUAL REPORT

The annual report of the Company for the year ended 31 December 2017 will be despatched to its shareholders and published on the websites of GEM (www.hkgem.hk) and the Company (www.astrum-capital.com) as soon as practicable.

By order of the Board
ASTRUM FINANCIAL HOLDINGS LIMITED
Pan Chik
Chairman and chief executive officer

Hong Kong, 28 February 2018

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

Executive Directors
Mr. Pan Chik (Chairman and chief executive officer)
Mr. Kwan Chun Yee Hidulf

Independent Non-executive Directors
Mr. Chan Chun Hong
Mr. Lee Tak Cheung Vincent
Mr. Lau Hon Kee

This announcement will remain on the "Latest Company Announcements" page of the GEM website (www.hkgem.com) for at least 7 days from the date of its publication. This announcement will also be published on the website of the Company (www.astrum-capital.com).