ARTA TECHFIN CORPORATION LIMITED
裕承科金有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 279)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO (1) ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024; AND (2) PAST CONNECTED TRANSACTION

INTRODUCTION

Reference is made to the Annual Report. The Board would like to provide additional information in relation to the Annual Report.

ADDITIONAL INFORMATION IN RELATION TO THE ANNUAL REPORT

Related Party Transactions

The related party transactions, other than the lease payments and building management fee made to a related party, as set out in note 33 to the consolidated financial statements in the Annual Report also constituted connected transactions or continuing connected transactions under the Listing Rules. The Company confirms that it has complied with the requirements under Chapter 14A of the Listing Rules in relation to the aforesaid connected transactions and continuing connected transactions.

PAST CONNECTED TRANSACTION

This announcement is made by the Company pursuant to Chapter 14A of the Listing Rules.

The Company wishes to announce the Novation Agreement in compliance with Chapter 14A of the Listing Rules.

THE NOVATION AGREEMENT

On or around 16 May 2021, Concord (as the tenant) and the Landlord (as the landlord) entered into the Original Tenancy Agreement for the lease of the Premises for a term of three (3) years commencing from 16 May 2021 to 15 May 2024 (both dates inclusive).

On 9 June 2022, the Company (as the substituted tenant), Concord (as the original tenant), and the Landlord (as the landlord) entered into the Novation Agreement pursuant to which: (i) Concord shall be released and discharged from the terms and conditions of the Original Tenancy Agreement from the Effective Date; (ii) the Company has agreed to undertake, perform and be bound by the terms of the Original Tenancy Agreement and become the tenant of the Premises form the Effective Date; and (iii) the Landlord has consented to the substitution of the Company for Concord subject to them entering into the Novation Agreement and agreeing to be bound by its covenants, obligations and conditions.

Principal Terms of the Original Tenancy Agreement as novated to the Company by the Novation Agreement

Date:	9 June 2022;
Parties:	(1) The Company, as the substituted tenant;
	(2) Concord, as the original tenant; and
	(3) the Landlord, as the landlord;
Premises:	Unit No. 1 to 3 on Level 9, K11 ATELIER King’s Road, 728 King’s Road, Quarry Bay, Hong Kong;
Term:	From the Effective Date of 1 November 2021 to 15 May 2024 (both dates inclusive);

Rent and charges:	(1)	Basic rent in the amount of HK$264,048 per month, payable to the Landlord;
	(2)	Service charge in the amount of HK$36,856.70 per month subject to adjustments, payable to the Landlord; and
	(3)	Government rates, payable to the government of Hong Kong;
Deposits:	(1)	Tenancy deposit in the amount of HK$942,321.30; and
	(2)	Fitting out deposit in the amount of HK$40,000;
Option to renew:		The Company shall have the option to renew the Original Tenancy Agreement for a further term of three (3) years commencing immediately after the expiration of the original term of the Original Tenancy Agreement i.e. 15 May 2024, by giving not less than six (6) months and not more than nine (9) months' written notice to the Landlord. The renewed agreement shall be on the same terms and conditions as the Original Tenancy Agreement, except that the rent will be adjusted to the prevailing open market rent at the time of renewal, provided that the basic rent shall be no less than the basic rent payable under the Original Tenancy Agreement and no more than 130% of the original basic rent payable;
Use of the Premises:		Office operated under the name of the Company.

Basis of determination of the rent and service charge

The monthly rent and service charge payable by the Company to the Landlord under the Original Tenancy Agreement as novated to the Company by the Novation Agreement was determined after arm's length negotiation between the Company and the Landlord, having taken into account the prevailing market rent of comparable premises of similar size, age and attributes from independent third parties for use as an office in the vicinity of the Premises; and the rent and service charge charged by the Landlord to other tenants in the same building.

The rent, service charge and government rate payable by the Company under the Original Tenancy Agreement as novated to the Company by the Novation Agreement was funded by the internal resources of the Group.

Reasons for and benefits of entering into the Novation Agreement

Following the expiration of the tenancy agreement for the former office premises of the Company and change of management of the Company, as part of the Company's plans to expand and develop its business and operations, the Company required new office premises of suitable size and with suitable attributes at a prime location in Hong Kong. The Company was presented with an opportunity to take up the Original Tenancy Agreement for the Premises, which fitted the criteria of the Company, and accordingly the Board considered that it was in the commercial interest of the Company to enter into the Novation Agreement.

In October 2021, the Company and the Landlord had agreed to enter into the Novation Agreement with effect from the Effective Date. However, due to the COVID-19 pandemic affecting Hong Kong at that time, the Landlord required additional time to prepare and finalise the Novation Agreement. Consequently, the Novation Agreement was only fully executed and stamped on 9 June 2022. During the period between the Effective Date and the date of the Novation Agreement, the Landlord had agreed to allow the Company to renovate the Premises.

The Board, including the independent non-executive Directors, considered that the entering into the Novation Agreement is in the ordinary and usual course of business of the Group and that the terms of the Original Tenancy Agreement as novated to the Company by the Novation Agreement are on normal commercial terms with reference to the prevailing market conditions and on arm's length basis, and the terms of the Original Tenancy Agreement as novated to the Company by the Novation Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

As Dr. Cheng is considered to have an interest in the Novation Agreement by virtue of his interests in Concord, he had abstained from voting on the Board resolution of the Company to approve the Novation Agreement. No other Director has any material interest in the Novation Agreement, or is required to abstain from voting on the Board resolutions in relation to the same under the Listing Rules.

INFORMATION ON THE GROUP

The Group is principally engaged in the financial services sector, including (a) global markets business (comprising securities and futures brokerage businesses, corporate and securities advisory, placing, underwriting and margin financing businesses), (b) investment advisory and asset management, (c) the provision of insurance brokerage and wealth planning and related services, (d) investment business, and (e) the provision of wealth management and consultancy services.

INFORMATION ON THE LANDLORD

The Landlord is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of NWD. The principal business activity of the Landlord is property investment. To the best of the Directors knowledge, information and believe, having made all reasonable enquiries, the Landlord and its ultimate beneficial owners are Independent Third Parties.

INFORMATION ON CONCORD

Concord is principally engaged in writing general insurance policies for both corporate and individual clients and it is an insurer authorised by the Insurance Authority in Hong Kong to carry on the business of writing general insurance.

LISTING RULES IMPLICATIONS

As at the date of the Novation Agreement, Dr. Cheng is the ultimate beneficial owner of Radiant Alliance Limited, which holds 14,011,317,504 Shares, representing approximately 75.0% of the then total issued Shares. Therefore, Dr Cheng is a connected person of the Company under the Listing Rules. Furthermore, Dr. Cheng and his associates have a majority interest in Concord. Therefore, Concord is an associate of Dr. Cheng and a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Novation Agreement constituted a connected transaction under Chapter 14A of the Listing Rules.

In accordance with HKFRS 16 "Leases", the Group is required to recognise the value of the right-of-use asset in connection with the Original Tenancy Agreement as novated to the Company by the Novation Agreement, and this transactions will be regarded as an acquisition of an asset by the Group pursuant to the Listing Rules. The value of the right-of-use asset to be recognised by the Group under the Original Tenancy Agreement as novated to the Company by the Novation Agreement is approximately HK$4,207,629.

As the highest of relevant percentage ratios as defined under Rule 14.07 of the Listing Rules applicable to the value of the right-of-use asset to be recognised by the Group under the Novation Agreement is more than 0.1% but all of them are less than 5%, the entering into the Novation Agreement Is subject to reporting and announcement requirements but is exempt from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

REMEDIAL MEASURES

During the preparation of the Group's annual results for the year ended 31 March 2025, a review of related party transactions was conducted. Following submissions made to the Stock Exchange, the Company was made aware that entering into the Novation Agreement constituted a connected transaction under Chapter 14A of the Listing Rules and therefore, it had inadvertently failed to comply with the relevant requirements of Chapter 14A of the Listing Rules in respect of the Novation Agreement.

The Company acknowledges its inadvertent and unintentional non-compliance with the Listing Rules and is committed to implementing remedial measures to prevent any recurrence. The following steps have been and will be taken:

(a) the Company has retained and will consult external legal counsel on the compliance of the Listing Rules as and when necessary;

(b) the Company will arrange training for the Directors, members of the Group's operations, finance and compliance teams to be conducted by its external legal counsel. The training will be conducted on an annul basis and tailored to the Group's business operations, with a particular focus on:

    (i) identifying the types of transactions or particular business activities of the Group that may constitute a connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules;

    (ii) the identification of connected persons of the Company;

    (iii) the procedural requirements under the Listing Rules for proposing and approving such transaction; and

    (iv) the Group's internal reporting requirements under such circumstances.

(c) the Company will strengthen its internal control and reporting procedures by implementing the following measures:

    (i) an initial review of all proposed agreement and transactions will be conducted by the Group's operations and finance departments to assess whether the transaction would constitute a connected transaction or continuing connected transaction for the Company under the Listing Rules;

    (ii) the Group's operations department are required to report any transaction identified as a connected transaction in a timely manner to members of senior management and the executive Directors;

    (iii) the Group's finance department will serve as a control point whose responsibilities include approving the Group's transactions and monitoring continuing connected transactions to ensure the accurate calculation of applicable percentage ratios and that annual caps are not exceeded;

    (iv) the Group's compliance department will be notified of any transactions classified as connected so that the appropriate announcements can be prepared in advance to ensure timely disclosure and for consulting with the Company's legal advisers or regulators as appropriate;

    (v) all such transactions shall be approved by the Board, who will ensure that a thorough analysis of the Listing Rules compliance has been conducted (with the advice of external legal counsel as required) before such transactions are approved.

The Company expects that the remedial measures set out above will be completed by the end of November 2025.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms have the meanings as set out below:

"Annual Report"	the annual report of the Company for the year ended 31 March 2024
"Board"	the board of Directors
"Company"	Arta TechFin Corporation Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 279)
"Concord"	Concord Insurance Company Limited, a company incorporated in Hong Kong with limited liability
"Director(s)"	Director(s) of the Company
"Dr. Cheng"	Dr. Cheng Chi-Kong, Adrian *SBS, JP*
"Effective Date"	1 November 2021
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Parties"	persons or companies who/which is/are not connected with (within the meaning of the Listing Rules) and is/are independent of the directors, chief executives and substantial shareholders of the Company or any of their respective associates
"Landlord"	Full Asset Enterprises Limited, a company incorporated in Hong Kong with limited liability
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Novation Agreement"	the novation agreement dated 9 June 2022 among the Company, Concord and the Landlord in respect of the novation of the Original Tenancy Agreement to the Company

"NWD"	New World Development Company Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 17)
"Original Tenancy Agreement"	the tenancy agreement dated on or around 16 May 2021 between Concord and the Landlord in respect of the Premises
"Premises"	Unit No. 1 to 3 on Level 9, K11 ATELIER King's Road, 728 King's Road, Quarry Bay, Hong Kong
"Shareholders"	holder(s) of the Shares
"Shares"	ordinary share(s) of HK$0.01 each in the share capital of the Company as at the date of the Novation Agreement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

The Company confirms that it has complied with the requirements under Chapter 14A of the Listing Rules in relation to the aforesaid connected transactions and continuing connected transactions.

By Order of the Board of
Arta TechFin Corporation Limited
Xu Hao
Chief Executive Officer

Hong Kong, 6 October 2025

As at the date of this announcement, the Board of the Company comprises Dr. Cheng Chi-Kong, Adrian SBS, JP (Chairman) as Non-executive Director, Mr. Xu Hao (Chief Executive Officer) and Ms. Li Chuchu, Tracy (Chief Financial Officer) as Executive Directors, and Ms. Ling Kit Sum Imma, Mr. Zhang Guangying and Prof. Peng Qian as Independent Non-executive Directors