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**ORIENT SECURITIES INTERNATIONAL HOLDINGS LIMITED**  
**東方滙財證券國際控股有限公司 \***

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

(Stock Code: 8001)

**ANNOUNCEMENT OF FIRST QUARTERLY RESULTS FOR THE  
THREE MONTHS ENDED 31 MARCH 2022**

The board (the “**Board**”) of directors (“**Directors**”) of Orient Securities International Holdings Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively refer to the “**Group**”) for the three months ended 31 March 2022. This announcement, containing the full text of the first quarterly report of the Group for the three months ended 31 March 2022 (“**2022 First Quarterly Report**”), complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“**GEM**”) in relation to information to accompany preliminary announcements of quarterly results. The 2022 First Quarterly Report will be available for viewing on the GEM website at [www.hkgem.com](http://www.hkgem.com) and on the Company’s website at [www.orientsec.com.hk](http://www.orientsec.com.hk) and dispatched to the shareholders of the Company in due course.

By order of the Board

**Orient Securities International Holdings Limited**

**Lee Nga Ching**

*Executive Director*

Hong Kong, 10 May 2022

*\* For identification purpose only*

*As at the date of this announcement, the executive Directors are Mr. Lam Shu Chung and Ms. Lee Nga Ching and the independent non-executive Directors are Mr. Siu Kin Wai, Mr. Tang Chung Wai and Ms. Chan Man Yi.*

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

*This announcement will remain on the “Latest Listed Company Information” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of 7 days from the date of its publication and on the Company’s website at [www.orientsec.com.hk](http://www.orientsec.com.hk).*

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

**GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, 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.**

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*This report, for which the directors (the "Directors") of Orient Securities International Holdings Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (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 report 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 report misleading.*

The board of Directors (the “Board”) is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the three months period ended 31 March 2022 together with the comparative unaudited figures for the corresponding period in 2021.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months period ended 31 March 2022

	Note	Three months ended 31 March	
		2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Revenue	4	10,059	12,779
Other income		—	4
Staff costs		(1,407)	(2,623)
Administrative expenses		(2,044)	(2,770)
Profit before taxation		6,608	7,390
Income tax	5	(1,130)	(1,128)
Profit for the period attributable to owners of the Company		5,478	6,262
Other comprehensive income for the period		—	—
Total comprehensive income for the period attributable to owners of the Company		5,478	6,262
Earning per share			
Basic and diluted	7	1.27 cents	1.45 cents

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months period ended 31 March 2022

	Attributable to owners of the Company				
	Share capital	Share Premium	Merger reserve	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2022 (audited)	4,320	138,016	8	206,312	348,656
Profit and total comprehensive income for the period	—	—	—	5,478	5,478
At 31 March 2022 (unaudited)	4,320	138,016	8	211,790	354,134

For the three months period ended 31 March 2021

	Attributable to owners of the Company				
	Share capital	Share Premium	Merger reserve	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2021 (audited)	4,320	138,016	8	188,337	330,681
Profit and total comprehensive income for the period	—	—	—	6,262	6,262
At 31 March 2021 (unaudited)	4,320	138,016	8	194,599	336,943

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2022

## 1. GENERAL

Orient Securities International Holdings Limited (the “Company”) was incorporated and registered as an exempted company with limited liability on 5 January 2009 under the Companies Law of the Cayman Islands and acts as an investment holding company. The shares of the Company have been listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 15 January 2014. The address of its registered office and principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal place of business is Rooms 3101 & 3117-3118, 31st Floor, China Merchants Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong, respectively.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred as the “Group”) are principally engaged in the provision of:

- brokerage services
- underwriting and placing services
- securities, initial public offering financing services
- money lending services

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The Group’s unaudited condensed consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and accounting principles generally accepted in Hong Kong. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange. The unaudited condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the 2021 annual financial statements except for the adoption of the standards, amendments and interpretation issued by the HKICPA mandatory for the annual periods beginning on 1 January 2022. The effect of the adoption of these standards, amendments and interpretation is not material on these unaudited condensed consolidated financial statements.

A summary of the significant accounting policies adopted by the Group is set out below.

### a) *Basis of preparation of the unaudited condensed consolidated financial statements*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisition or up to the effective dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2022

## 3. SEGMENT REVENUE

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management, being the chief operating decision maker, for the purposes of resource allocation and performance assessment, the Group has presented the following four reportable segments. No operating segments have been aggregated to form any of the following reportable segments.

Brokerage	—	Provision of brokerage services
Underwriting and placing	—	Provision of underwriting and placing services
Margin financing	—	Provision of securities and initial public offering financing services
Money lending	—	Provision of money lending services

### a) Segment revenue and results

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation and amortisation of assets attributable to those segments.

Segment profit represents the profit earned by each segment without allocation of interest income on bank deposits, sundry income and income tax expenses.

The segment revenue and results for the three months period ended 31 March 2022 are as follows:

	Brokerage HK\$'000 (unaudited)	Margin financing HK\$'000 (unaudited)	Underwriting and placing HK\$'000 (unaudited)	Money lending HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
Reportable segment revenue					
Revenue from external clients	181	1,283	350	8,245	10,059
Reportable segment profit	119	843	230	5,416	6,608

The segment revenue and results for the three months period ended 31 March 2021 are as follows:

	Brokerage HK\$'000 (unaudited)	Margin financing HK\$'000 (unaudited)	Underwriting and placing HK\$'000 (unaudited)	Money lending HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
Reportable segment revenue					
Revenue from external clients	2,795	1,199	209	8,576	12,779
Reportable segment profit	1,615	693	121	4,957	7,386

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2022

## 3. SEGMENT REVENUE *(Continued)*

### b) Information about geographical areas

All of the activities of the Group are carried out in Hong Kong and all of the Group's revenue for the three months period ended 31 March 2022 and 2021 are derived from Hong Kong. Accordingly, no analysis of geographical information is presented

## 4. REVENUE

Revenue represents commission income from brokerage services, commission income from underwriting and placing services (net of sub-underwriting commission), interest income from margin financing services, and interest income from money lending services, and service income. An analysis of the Group's revenue is as follows:

	For the three months ended 31 March	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Commission income from brokerage services	181	536
Commission income from underwriting and placing services	350	209
Interest income from margin financing services	1,283	1,199
Interest income from money lending services	8,245	8,576
Service income	—	2,259
	10,059	12,779

## 5. INCOME TAX

	For the three months ended 31 March	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Current tax — Hong Kong Profits Tax		
Provision for the period	1,130	1,128
	1,130	1,128

The provision for Hong Kong Profits tax for 2022 is calculated at 8.25% on the first HK\$2,000,000 and 16.5% of the remaining balance (2021: 8.25% on the first HK\$2,000,000 and 16.5% of the remaining balance) of estimated assessable profits for the period.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months period ended 31 March 2022

## 6. DIVIDENDS

The directors of the Company do not recommend the payment of an interim dividend for the three months period ended 31 March 2022 (2021: Nil).

## 7. EARNING PER SHARE

The calculation of the basic and diluted earning per share attributable to owners of the Company is based on the following data:

	For the three months ended 31 March	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
<b>Earning:</b>		
Earning for the purposes of basic and diluted earnings per share:		
Earning for the period attributable to owners of the Company	5,478	6,262
<b>Number of shares:</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	432,000,000	432,000,000

No diluted earning per share is presented for the three months period ended 31 March 2022 and 2021 as there were no potential ordinary shares outstanding during the period.

## 8. CREDIT FACILITIES

a) At 31 March 2022 and 2021, the Group had the following banking facilities with Chong Hing Bank Limited:

- bank overdraft facility to the extent of HK\$20,000,000 (2021: HK\$20,000,000). Interest is charged at prime lending rate as quoted by Chong Hing Bank Limited per annum. The bank overdraft facility is subject to repayable on demand clause.

At 31 March 2022 and 2021, the banking facilities were secured by corporate guarantee to the extent of HK\$20,000,000 executed by the Company (2021: HK\$20,000,000).

b) As at 31 March 2022 and 2021, the Group had not utilised any of the above credit facilities.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW AND OUTLOOK

The Group is principally engaged in the provision of (i) brokerage services and relevant service income; (ii) underwriting and placing services; (iii) margin financing services; and (iv) money lending services. During the first three months of 2022, since the Group did not charge service income from securities business clients at the moment, the Group's total revenue was decreased by HK\$2.7 million or 21.3% compared with relevant period in 2021. The service income from brokerage services and underwriting and placing services were close to the corresponding period in 2021 whereas the interest income from money lending services dropped due to repayments from borrowers.

The Group and the management have been working hard and through various channels to develop the business. Nevertheless, the Group's performance relied on external factors, including Hongkong and global economic environment, interest rate movement and the turnover of the Hongkong securities market and demand of market fund raising activities, as well as the development and impact of COVID-19 and its effect over customers' investment and financing needs. They are beyond the Group's control and the Group's financial performance is susceptible to fluctuation as a result.

Given the challenges in the economic outlook and the capital-intensive nature of the Group's existing principal business, the management believes that the key to future growth of the Group hinges on the expansion of the range of services provided by the Group, where each additional business segment adds to the synergistic effect of the Group's current service offerings. The Group plans to expand into financial services regulated under Type 6 (advising on corporate finance) and the Type 9 (asset management) licenses under the Securities and Futures Ordinance ("SFO"), which will allow the Group to broaden its source of income, explore new markets with growth potential and capture new business opportunities which may create substantial value to the Shareholders.

With an aim of reaching out for collaboration with other market players, the Group is considering acquiring a company licensed under the SFO to conduct Type 6 (advising on corporate finance) regulated activity. Specifically, it is the intention of the Directors to identify potential targets with particular priority given to those that has an established network of clients and has a number of deals in the pipeline, which the Group would be able to immediately capitalise on. The Group expects that through the potential acquisition, it could leverage on the existing client base of the target company to further expand the underwriting and placing business cared by the Group through potential placing and underwriting opportunities currently being explored by the target company.

On the other hand, relating the development of the Type 9 (asset management) regulated activity, the Group has recently employed two responsible officers licensed under the SFO and submitted new business plan to the relevant department of the Securities and Futures Commission for application to resumption of the Type 9 license. The potential expansion of the Type 6 and Type 9 regulated activities will allow the Group to extend its coverage in the financial industry and become an enterprise that is capable of providing clients with one-stop comprehensive financial services (including underwriting of new share, bookrunner, custody, placing and other corporate finance advisory services), which will effectively integrate resources and reduce operating costs.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### Revenue

The Group's revenue is mainly generated from (i) commission income from the brokerage services; (ii) commission income from the underwriting and placing services; (iii) interest income from the financing services, (iv) interest income from the money lending services and (v) service income from provision of brokerage-related services.

The total revenue for the first three months of 2022 was approximately HK\$10.1 million (2021: HK\$12.8 million) which represented a decrease of approximately HK\$2.7 million or 21.3% compared with 2021. Such decrease was mainly attributable to the Group did not charge service income from securities business clients at the moment whereas HK\$2.3 million was charged in the corresponding period in 2021.

	For the three months ended 31 March	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Commission income from brokerage services	181	536
Commission income from underwriting and placing services	350	209
Interest income from margin financing services	1,283	1,199
Interest income from money lending services	8,245	8,576
Service income	—	2,259
	<b>10,059</b>	<b>12,779</b>

As at 31 March 2022, the Group had 635 active securities accounts as reported pursuant to Securities and Futures (Financial Resources) Rules (Cap 571N) (2021: 651 active securities accounts).

As at the date of this report, the management team of the money lending services consists of two key management personnel, and the overall management oversight is provided by Ms Lee Nga Ching, who is the executive director of the Company. Further, both of the key management personnel have over ten years of experience in the industry and are primarily responsible for, among others, carrying out, supervising and monitoring the daily money lending activities, reviewing and implementing the company's internal procedure and handling recoverability of all outstanding debts.

The Group has internal control policies, anti-money laundering policy and guidelines and a compliance manual setting out guidance to its employees in order to comply with regulatory and statutory obligations that govern its money lending business activities in Hong Kong.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Staff costs

The total staff costs for the first three months of 2022 was approximately HK\$1.4 million (2021: HK\$2.6 million). Such drop was due to staff were resigned in late 2021 whereas the Group did not recruit a replacement at the moment or replacements were found with lowered salaries.

	2022 HK\$'000	2021 HK\$'000
Commission paid to staff	47	94
Directors' emoluments and staff salaries, bonus and allowances	1,317	2,407
Other staff costs including MPF and insurance	43	122
	1,407	2,623

## Administrative expenses

The total administrative expenses for the first three months of 2022 was approximately HK\$2.0 million (2021: HK\$2.8 million). Such decrease was due to aggregation of various expenses variances, in particular of saving of rental expenses of HK\$0.5 million and saving of legal and professional fee of HK\$0.1 million.

## Income tax expenses

The income tax expense for the first three months of 2022 was approximately HK\$1.1 million (2021: HK\$1.1 million) and it remains stable and is in line with the assessable profits under Hong Kong Profits Tax.

## Profit for the period

The Group recorded a net profit attributable to owners of the Company of approximately HK\$5.5 million for the first three months of 2022 (2021: HK\$6.3 million), with a HK\$0.8 million or 12.5% decrease. Such change was mainly due to the decrease of revenue by HK\$2.7 million as discussed above which cannot be completely offset by the saving of expenses.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

During the first three months of 2022, the Group financed its operations by cash flow from operating activities. As at 31 March 2022, the Group had net current assets of approximately HK\$329.6 million (31 December 2021: HK\$324.1 million), including cash and bank balances of approximately HK\$3.5 million (31 December 2021: HK\$1.8 million). The current ratio, being the ratio of current assets to current liabilities, was approximately 11.3 times as at 31 March 2022 (31 December 2021: 11.2 times). The change was stable. The gearing ratio of the Group, being total interest-bearing debt (excluding trade payables) to total equity, was 0.003 times (31 December 2021: 0.003 times)

The capital of the Group comprises only ordinary shares. Total equity attributable to owners of the Company amounted to approximately HK\$354.1 million as at 31 March 2022 (31 December 2021: HK\$348.7 million).

# MANAGEMENT DISCUSSION AND ANALYSIS

## EMPLOYEE INFORMATION

Total remuneration for the first three months of 2022 (including directors' emoluments and commission paid to staff and directors excluding MPF contributions and other employee costs) was approximately HK\$1.4 million (2021: HK\$2.5 million). The reasons for changes were mentioned under staff costs section above. The Group's remuneration policies are formulated on the basis of performance, qualifications and experience of individual employee and make reference to the prevailing market conditions. Our remuneration packages comprise monthly fixed salaries and discretionary year-end bonuses based on individual performance, which are paid to employees as recognition of, and reward for, their contributions.

## CHARGES ON THE GROUP'S ASSETS

The Group did not have any charge arranged with any financial institution in Hong Kong as at 31 March 2022 (2021: Nil).

## FOREIGN EXCHANGE EXPOSURE

The revenue and business costs of the Group were principally denominated in Hong Kong dollars, and as such the exposure to the risk of foreign exchange rate fluctuations for the Group was minimal. Hence, no financial instrument for hedging was employed.

## CONTINGENT LIABILITIES

No material contingent liability had come to the attention of the Directors in the first three months of 2022 and up to the date of results announcement and quarterly report issuance of the Company.

## EVENT AFTER THE REPORTING PERIOD

Up to the date of results announcement and quarterly report issuance of the Company, there was no significant event relevant to the business or financial performance of the Group that come to the attention of the Directors after the period ended 31 March 2022.

## OTHER INFORMATION

### **INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION**

As at 31 March 2022, none of the Directors and chief executives of the Company (the “Chief Executives”) had any interests or short positions in the shares of the Company (the “Shares”), underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuer as referred to in rule 5.46 of the GEM Listing Rules (the “Required Standard of Dealings”).

### **INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS OF THE COMPANY IN THE SHARES AND UNDERLYING SHARES**

As at 31 March 2022, so far as is known to the Directors and the Chief Executives and based on the public records filed on the website of the Stock Exchange and records kept by the Company, there was no person or corporation who had any interests or short positions in the Shares or underlying Shares as recorded in the register of interests required to be kept under section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

### **OTHER INTERESTS DISCLOSEABLE UNDER THE SFO**

Save as disclosed above, so far as is known to the Directors, there was no other person who had interest or short position in the Shares and underlying Shares that is discloseable under section 336 of the SFO.

### **SHARE OPTION SCHEME**

The share option scheme (“Scheme”) enables the Company to grant options to any full-time or part-time employee of the Company or any member of the Group (“Eligible Participant”) as incentives or rewards for their contributions to the Group, the Scheme was conditionally adopted by the Company on 19 December 2013 whereby the Board are authorised, at their absolute discretion and subject to the terms of the Scheme, to grant options to subscribe for the shares of the Company to the Eligible Participant. The Scheme is valid and effective for a period of ten years commencing from the date of adoption of the Scheme.

As at the date of this report and since the adoption of the Scheme, no share option has been granted by the Company.

## OTHER INFORMATION

### RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the paragraphs headed “INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION” and “SHARE OPTION SCHEME” in this report, at no time during the three months ended 31 March 2022 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

Save as disclosed above, at no time during the three months ended 31 March 2022 had the Directors and the Chief Executives (including their spouses and children under 18 years of age) any interest in, or been granted, or exercised any rights to subscribe for the Shares (or warrants or debentures, if applicable) of the Company and/or its associated corporations (within the meaning of the SFO).

### COMPETING INTERESTS

As at 31 March 2022, none of the Directors, the substantial Shareholders and their respective associates (as defined in the GEM Listing Rules) had any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. The Company had made specific enquiries of all the Directors and the Directors have confirmed they had complied with the Required Standard of Dealings throughout the three months ended 31 March 2022.

### PURCHASE, SALE OR REDEMPTION OF SHARES

During the three months ended 31 March 2022, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.



## OTHER INFORMATION

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieving high standards of corporate governance to safeguard the interests of the Shareholders and enhance its corporate value. The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code in Appendix 15 to the GEM Listing Rules (the "CG Code").

Throughout the three months ended 31 March 2022, to the best knowledge of the Board, the Company had complied with the code provisions in the CG Code, save for the deviation from code provision C.2.1 as explained below:

The Company has not yet adopted C.2.1 of the CG Code. Pursuant to C.2.1 of the CG Code, the roles of Chairman and CEO should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing.

The Company currently has no Chairman or CEO. The daily operation and management of the Company is monitored by the executive Directors as well as the senior management. The Board is of the view that although there is no Chairman or CEO, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would meet from time to time to discuss issues affecting operation of the Company and the Group. This arrangement can still enable the Company to make and implement decisions promptly, and thus achieve the Company's objectives efficiently and effectively in response to the changing environment.

The Company will, at the appropriate time, arrange for the election of the new Chairman of the Board.

### UPDATE ON LISTING STATUS

The Company received a letter dated 20 December 2019 from the Stock Exchange to the effect that the Stock Exchange had decided to suspend trading in the Shares under Rule 9.04 of the GEM Listing Rules and proceed with cancellation of the Company's listing under Rule 9.14 of the GEM Listing Rules on the view of that the Company has not shown to have sufficient level of operations and assets that could enable it to carry out viable and sustainable business as required by Rule 17.26 of GEM Listing Rules ("Decision"). Under Rule 4.06(1) of the GEM Listing Rules, the Company filed an application for a review by the GEM Listing Committee in relation to the Decision on 3 January 2020. The review hearing of the Decision by the GEM Listing Committee took place on 10 March 2020. On 18 March 2020, the Company received a fax from the GEM Listing Committee that they had decided to uphold the Decision ("GEM Listing Committee Decision").



## OTHER INFORMATION

Under Rule 4.06(2) of the GEM Listing Rules, the Company filed an application for a review by the GEM Listing Review Committee in relation to the GEM Listing Committee Decision on 26 March 2020. The review hearing of the GEM Listing Committee Decision by the GEM Listing Review Committee took place on 10 July 2020. On 29 July 2020, the Company received a letter from the GEM Listing Review Committee that they had decided to uphold the GEM Listing Committee Decision to suspend trading in the Shares under Rule 9.04(3) of the GEM Listing Rules (“GEM Listing Review Committee Decision”). According to the said letter, the GEM Listing Review Committee considered that if the Company achieves or exceeds the revenue of HK\$57.29 million and the net profits before taxation of HK\$29.83 million as indicated in its profit forecast for the financial year ended 31 December 2020 through sustainable operations with no disposal of material assets, this will be reasonably strong evidence of re-compliance with Rule 17.26 of the GEM Listing Rules by the Company which should then not warrant a suspension of trading.

On 4 August 2020, the Company received a letter from the Stock Exchange setting out the resumption guidance of demonstrating its compliance with Rule 17.26 of the GEM Listing Rules for the resumption of trading in the Shares. In view of the GEM Listing Review Committee Decision, the Company is required to re-comply with Rule 17.26 of the GEM Listing Rules and it will have a remedial period of 12 months to re-comply with Rule 17.26 of the GEM Listing Rules. If the Company fails to do so by the expiry of the 12-month period (i.e. 29 July 2021), the Stock Exchange may proceed with cancellation of the Company's listing.

On 30 July 2021, The Board announced that the Company had fulfilled the Resumption Condition to the satisfaction of the Stock Exchange. In order to fulfill the Resumption Condition, the Group had continued to review its existing businesses and its financial position from time to time and had been committed to improve its existing business operations. Further, the Group had identified potential business to expand its source of income in order to maximise the return to the Shareholders.

Trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 30 July 2020 and has been resumed trading from 9:00 a.m. on 2 August 2021

For details, please refer to the announcements of the Company dated 23 December 2019, 3 January 2020, 18 March 2020, 26 March 2020, 29 July 2020, 5 August 2020, 29 October 2020, 29 January 2021, 29 April 2021 and 30 July 2021.

## OTHER INFORMATION

### AUDIT COMMITTEE

The Audit Committee has been established with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules and code provision D.3.3 of the CG Code. The Audit Committee currently comprises three independent non-executive Directors and is chaired by Mr. Siu Kin Wai. The other members are Mr. Tang Chung Wai and Ms. Chan Man Yi. All members of the Audit Committee are appointed by the Board.

The primary duty of the Audit Committee are mainly to make recommendations to the Board on the appointment, reappointment and removal of external auditor, review the financial statements and material advice in respect of financial reporting; and oversee financial reporting system, internal control and risk management systems of the Group and monitor continuing connected transactions (if any).

The Audit Committee had reviewed the unaudited consolidated results of the Group for the three months ended 31 March 2022 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.

By order of the Board  
**Orient Securities International Holdings Limited**  
**Lee Nga Ching**  
*Executive Director*

Hong Kong, 10 May 2022

*As at the date of this report, the executive Directors are Mr. Lam Shu Chung and Ms. Lee Nga Ching and the independent non-executive Directors are Mr. Siu Kin Wai, Mr. Tang Chung Wai and Ms. Chan Man Yi.*