

**AMASSE CAPITAL**  
**寶 積 資 本**

**Amasse Capital Holdings Limited**  
**寶積資本控股有限公司**

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

**(Stock Code: 8168)**

**ANNOUNCEMENT OF ANNUAL RESULTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED  
(THE “STOCK EXCHANGE”)**

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**Given that the 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.**

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The board (the “**Board**”) of directors (the “**Director**”) of Amasse Capital Holdings Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 30 September 2022 together with the comparative figures for the year ended 30 September 2021 as follows:

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

*For the year ended 30 September 2022*

	Notes	<b>2022</b> HK\$'000	2021 HK\$'000
Revenue	3	<b>7,745</b>	5,567
Other income and other net (loss)/gain	4	<b>(2,872)</b>	407
Loss allowance on trade receivables, net		<b>(873)</b>	(653)
Employee benefit expenses		<b>(7,971)</b>	(10,502)
Depreciation of plant and equipment		<b>(156)</b>	(181)
Depreciation of right-of-use assets		<b>(1,096)</b>	(1,253)
Impairment losses recognised on right-of-use assets		<b>(1,810)</b>	–
Other operating expenses		<b>(2,131)</b>	(2,794)
Finance costs		<b>(121)</b>	(144)
Loss before taxation	5	<b>(9,285)</b>	(9,553)
Income tax	6	<b>–</b>	123
Loss and total comprehensive expense for the year attributable to equity shareholders of the Company		<b><u>(9,285)</u></b>	<b><u>(9,430)</u></b>
Loss per share	8		
– Basic and diluted (HK cents)		<b><u>(0.93)</u></b>	<b><u>(0.94)</u></b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2022

	Notes	2022 HK\$'000	2021 HK\$'000
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Plant and equipment		184	340
Right-of-use assets		–	678
Prepayments and deposits	10	6	18
Deferred tax assets		–	–
		<u>190</u>	<u>1,036</u>
<b>Current assets</b>			
Contract assets		221	–
Trade receivables	9	1,334	1,129
Prepayments, deposits and other receivables	10	612	614
Financial assets at fair value through profit or loss	11	14,319	21,189
Cash and cash equivalents		17,482	18,904
		<u>33,968</u>	<u>41,836</u>
<b>Current liabilities</b>			
Other payables and accruals	12	530	574
Contract liabilities		22	82
Lease liabilities		1,108	790
Loans from securities brokers		9,028	9,361
		<u>10,688</u>	<u>10,807</u>
<b>Net current assets</b>		<u>23,280</u>	<u>31,029</u>
<b>Total assets less current liabilities</b>		<u>23,470</u>	<u>32,065</u>
<b>Non-current liabilities</b>			
Lease liabilities		724	–
Provision for long service payment		137	171
		<u>861</u>	<u>171</u>
<b>Net assets</b>		<u>22,609</u>	<u>31,894</u>
<b>EQUITY</b>			
Share capital		10,000	10,000
Reserves		12,609	21,894
<b>Total equity</b>		<u>22,609</u>	<u>31,894</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2022

## 1. GENERAL

Amasse Capital Holdings Limited (the “**Company**”) is a public limited company incorporated in the Cayman Islands and its shares are listed on the GEM of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its ultimate parent is Access Cheer Limited (“**Access Cheer**”), a company incorporated in the British Virgin Islands. Its ultimate controlling party is Ms. Tse Fung Sum Flora, who is also the Executive Director of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are provision of corporate finance advisory services and investment advisory services. Particulars of the principal subsidiaries are set out in note 33. The Company and its subsidiaries are collectively referred to as the “**Group**”.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”) which is also the functional currency of the Company and all values are rounded to the nearest thousand except when otherwise indicated.

## 2. BASIS OF PREPARATION

### (a) Basis of preparation

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”) with 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**”), accounting principles generally accepted in Hong Kong, the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622) and the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “**GEM Listing Rules**”).

These consolidated financial statements have been prepared under the historical cost convention except for financial instruments that are measured at fair values.

### (b) Application of new and amendments to HKFRSs

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group’s financial statements:

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

The application of the new and 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 on the disclosures set out in these consolidated financial statements.

(c) **New and amendments to HKFRSs in issue but not yet effective**

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

HKFRS 17	Insurance Contracts and related Amendments <sup>1</sup>
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies <sup>1</sup>
Amendments to HKAS 8	Definition of Accounting Estimates <sup>1</sup>
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>1</sup>
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>1</sup>
Amendments to HKFRS 3	Reference to the Conceptual Framework <sup>2</sup>
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use <sup>2</sup>
Amendments to HKAS 37	Onerous Contracts – Costs of Fulfilling a Contract <sup>2</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020 <sup>2</sup>
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2023.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2022.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2024.

<sup>4</sup> Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that the application of all these new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

**3. REVENUE**

The principal activities of the Group are the provision of corporate finance advisory services and investment advisory services.

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	<b>2022</b>	2021
	<b>HK\$'000</b>	HK\$'000
Corporate finance advisory fee income from acting as:		
Financial adviser	<b>6,251</b>	4,683
Independent financial adviser	<b>1,194</b>	884
	<b>7,445</b>	5,567
Investment advisory fee income	<b>300</b>	—
	<b>7,745</b>	5,567

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

	<b>2022</b>	2021
	<b>HK\$'000</b>	HK\$'000
Disaggregated by timing of revenue recognition		
Over time	<b>7,745</b>	5,567

## Transaction price allocated to the remaining performance obligations for contracts with customers

All corporate finance advisory services and investment advisory services are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

### 4. OTHER INCOME AND OTHER NET (LOSS)/GAIN

	2022 HK\$'000	2021 HK\$'000
Other income		
Bank interest income	97	101
Dividend income	45	104
Government grants (note)	302	261
Reversal of provision for long service payment	34	216
Sundry income	–	127
	<u>478</u>	<u>809</u>
Other net (loss)/gain		
Net realised loss on financial assets at FVTPL	(3,764)	(506)
Net unrealised gain/(loss) on financial assets at FVTPL	282	(263)
Exchange gains	132	367
	<u>(3,350)</u>	<u>(402)</u>
	<u>(2,872)</u>	<u>407</u>

Note: Government grants of HK\$302,000 (2021: HK\$261,000) relates to Employment Support Scheme provided by the Hong Kong government.

### 5. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

	2022 HK\$'000	2021 HK\$'000
Auditor's remuneration	250	250
Donation	311	548
Employee benefit expenses (including directors' remuneration)	7,971	10,502
Salaries and welfare	6,984	7,682
Performance related bonus	785	2,600
Retirement benefit scheme contributions	202	220
Expenses relating to short-term leases	20	21
Net exchange gain	(132)	(367)

## 6. INCOME TAX

	2022 HK\$'000	2021 HK\$'000
Deferred taxation	—	(123)
	<u>—</u>	<u>(123)</u>
	<u>—</u>	<u>(123)</u>

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying Group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of Group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits for the year.

## 7. DIVIDEND

During the year ended 30 September 2021, a special dividend of HK\$0.4 cents per share in respect of the year ended 30 September 2020 was declared and paid to the owners of the Company on 17 February 2021. The aggregate amount of the special dividend declared and paid in the year ended 30 September 2021 amounted to HK\$4,000,000. No interim dividend was declared during the year, nor has any dividend been proposed since the end of the reporting period.

## 8. LOSS PER SHARE

The calculation of the basic loss per share attributable to ordinary equity shareholders of the Company is based on the following data:

	2022	2021
Loss for the year attributable to equity shareholders of the Company (HK\$'000)	<u>(9,285)</u>	<u>(9,430)</u>
Weighted average number of ordinary shares ('000)	<u>1,000,000</u>	<u>1,000,000</u>

For each year ended 30 September 2022 and 30 September 2021, there were no potential ordinary shares in issue, thus no adjustment has been made to the basic loss per share amount presented in respect of dilution.

## 9. TRADE RECEIVABLES

	2022 HK\$'000	2021 HK\$'000
Trade receivables	4,910	3,832
Less: Loss allowance (Note 28(a))	<u>(3,576)</u>	<u>(2,703)</u>
	<u>1,334</u>	<u>1,129</u>

The following is an aged analysis of trade receivables net of loss allowance presented based on the invoice date at the end of each reporting year.

	2022 HK\$'000	2021 HK\$'000
Within 1 month	394	245
1 to 3 months	131	318
Over 3 months	809	566
	<u>1,334</u>	<u>1,129</u>

There is no credit period granted for corporate finance advisory services income and investment advisory services income.

#### 10. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2022 HK\$'000	2021 HK\$'000
Prepayments	234	243
Deposits	360	387
Other receivables	24	2
	<u>618</u>	<u>632</u>
Deduct: Non-current portion	(6)	(18)
Current portion	<u>612</u>	<u>614</u>

#### 11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at FVTPL as at 30 September comprise:

	2022 HK\$'000	2021 HK\$'000
Listed securities held for trading:		
– Equity security listed in Hong Kong	9,194	–
– Equity security listed in the United States	5,125	21,189
	<u>14,319</u>	<u>21,189</u>

#### 12. OTHER PAYABLES AND ACCRUALS

	2022 HK\$'000	2021 HK\$'000
Other payables	44	92
Accruals	486	482
	<u>530</u>	<u>574</u>

All the other payables and accruals are expected to be settled within one year or are repayable on demand.

### BUSINESS REVIEW AND PROSPECTS

The Group is a corporate finance advisory service provider and investment advisory service provider based in Hong Kong and licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”), subject to the conditions that its operating subsidiary, Amasse Capital Limited, shall not (i) hold client assets; (ii) for Type 1 regulated activity, engage in dealing activities other than those relating to corporate finance; and (iii) for Type 6 regulated activity, act as sponsor in respect of an application for listing on a recognized stock market of any securities. Amasse Asset Management Limited shall not (i) hold client assets; and (ii) only provide services to professional investors.

The Group is principally engaged in providing corporate finance advisory services in Hong Kong including (i) acting as financial adviser to Hong Kong public listed companies and investors seeking to control or invest in public listed companies in Hong Kong regarding corporate transactions which mainly involve the compliance with the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), the GEM Listing Rules and/or the Codes on Takeovers and Mergers and Share Buy-backs (the “**Takeovers Code**”); (ii) acting as independent financial adviser to independent board committees and/or independent shareholders of public listed companies in Hong Kong; (iii) acting as underwriter and/or placing agent not holding client assets in dealing activities for its clients; and (iv) providing investment advisory services.

During the year ended 30 September 2022, the development of the coronavirus diseases in Hong Kong and the People’s Republic of China (the “**PRC**”) affected the Group adversely, including the outbreak of fifth wave of pandemic situation in Hong Kong, the lock down of certain tier one cities, including Guangzhou, Shenzhen and Shanghai by the PRC Government in 2022. It was also observed that there was rebound on confirmed cases in the PRC from time to time up to November 2022.

The Federal Reserve of the United States of America (the “**Federal Reserve**”) has been on a path of raising interest rates in an effort to combat high inflation. The interest rate has been increased four times by 3.0% since mid-March 2022. Further, the Federal Reserve does not rule out the possibility of further increase in the interest rate. Together with the war between Russia and Ukraine, it has created significant fluctuation in the world’s capital market and will certainly impose additional uncertainty to the world’s economies this year and in the coming year.

The Directors consider that the above factors have limited the Group's business opportunities, reduced the Group's transaction volume and resulted in delay or even cancellation of certain significant transactions under pitching by the Group in the past few months as (i) the tighten measures in Hong Kong and the lockdown in the PRC has hindered the Group's accessibility to clients; (ii) some of the Group's clients were unfortunately infected as a result of the recent outbreak of coronavirus diseases; and (iii) the increase of interest rate from the Federal Reserve and the war between Russia and Ukraine have imposed additional uncertainty and fluctuation to the world economics and financial markets which adversely impacts on investment sentiment of investors. Looking forward, the business and operation environments of the Group will remain challenging. However, the Directors are happy to hear that Hong Kong government has significantly released the pandemic measures in September 2022 and the PRC government has started to release the pandemic measures in December 2022.

In view of the above, the Directors believe that despite full recovery of the world economies as well as Hong Kong still have a long way to go, it is taking place step by step.

Nonetheless, the Group has stick with its business strategies as below.

### **Corporate Finance Advisory Services**

The Directors observe there are severe price competition in the Hong Kong corporate finance industry during the uncertain economic climate. As such the Group has adopted a competitive price strategy while maintaining its high service quality for the clients.

The Group has actively maintained frequent contacts with the clients under its customer base through telecommunication media. By leveraging on the senior managements' resources and network, the Group has been proactively approaching new clients. As a result of the continuous effort and adjustment of the Group's business strategies, the performance of the Group's corporate finance advisory services has shown an improvement that revenue for the year ended 30 September 2022 was increased by almost 33.7% when compared with last year.

During the year ended 30 September 2022, the Group was able to approach advisory services for clients up to approximately HK\$10 million and successfully secured an aggregate contract sum of approximately HK\$8.6 million, while two advisory services in the aggregate contract sum of HK\$1.4 million were unfortunately cancelled.

## Asset Management Advisory Services

In addition to the corporate finance advisory services, the Group has been exploring and expanding new business. The asset management advisory services represent a material development of the Group. Amasse Asset Management Limited, a wholly-owned subsidiary of the Group, was granted the licenses of Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO in May 2020. During the year ended 30 September 2022, the investment advisory service generated revenue of HK\$0.3 million.

The Group has engaged a legal adviser to prepare the documents for an equity investment fund. Unfortunately, the Group is still in the process of approaching certain limited partners and the Directors observed that the attitudes of those potential limited partners had become more conservative primarily due to the market situations in Hong Kong, the PRC and worldwide as discussed above and the negotiation has been put on hold. Given the recent rebound of the Hong Kong and PRC capital market and the potential re-opening of the PRC, the Group expects that the negotiation of potential investors could be restarted in early 2023.

Additionally, the Group has been successfully engaged to act as asset management advisor for two limited partnership funds. Such two funds are in the process of discussing with the relevant limited partners for the capital and/or asset injection into the funds and the Group will be able to generate fee income once the aforesaid capital and/or asset injection is completed.

As disclosed in the section headed “Risk Factors” under the Company’s prospectus dated 8 March 2018, revenue of the Group’s corporate finance activities is to a large extent derived from transactions for which the Group is engaged on a one-off basis. The nature of the corporate finance activities also means the demand and scope for our activities are dependent on an array of factors such as the conditions of the financial markets which is beyond our control. In addition, the nature of the Group’s business is largely based on non-recurring projects and engagement terms may vary from project to project. As such, the Group is formulating different strategies, including but not limited to emphasising on material transactions pitching with the hope to generate higher fee income. During the year ended 30 September 2022, the Group had successfully secured certain transactions with relatively high advisory fees.

Last but not the least, the Directors consider that the recent lackluster performance of the Group is just temporary in view that the Group’s unsatisfactory performance was mainly affected by the outbreak of the coronavirus disease and the global political and financial uncertainties. The Group believes that once the pandemic situation is fully recovered and the travel restriction are relaxed, the Group’s performance would be improved gradually. The sign of the Group’s performance recovery has been emerged post the year end date as the aggregate outstanding contracted fees of the Group’s corporate finance advisory services have already been reached approximately HK6.9 million as at 20 December 2022, being the latest practicable date prior to the printing of this annual report for ascertaining certain information for the purpose of inclusion in this annual report (the “**Latest Practicable Date**”). The aforesaid contracted fee of approximately HK\$6.9 million represented approximately 123.2% and 89.6% of the Group’s revenue for the financial year ended 30 September 2021 and 2022 respectively.

The Directors believe that the future performance of the Group will be subject to the pace of recovery from the current pandemic situation as well as the success implementation and adjustment of the Group’s business plans and strategies from time to time.

Notwithstanding the above, as a service company, the Directors believe that high quality advisory services and consistent management are a way to success of the Group. The Directors consider that the professional teams of the Group have continued to provide high quality services to customers which will continue to deliver value for our Shareholders. Most of the Directors have extensive experience and knowledge on Hong Kong financial market and/or listed companies' operation, rules and/or regulations. It is believed that the Directors will continuous to contribute to the Group's development.

## **FINANCIAL REVIEW**

### **Revenue**

Revenue for the year ended 30 September 2022 amounted to approximately HK\$7.7 million, representing an increase of approximately HK\$2.1 million or approximately 37.5% as compared with that of approximately HK\$5.6 million for the corresponding period of last year. Such increase was mainly driven by the increase of the total fees for corporate finance advisory services provided by the Group which were due to the increase of the total corporate finance advisory transactions, in which some material transactions that induced higher servicing fee.

### **Other Income and Other Net (Loss)/Gain**

The Group's other income for the year ended 30 September 2022 mainly included (i) Hong Kong Government's subsidy, Employment Support Scheme of approximately HK\$0.3 million (2021: approximately HK\$0.3 million); (ii) bank interest income of approximately HK\$0.1 million (2021: approximately HK\$0.1 million); and (iii) dividend income of approximately HK\$0.05 million (2021: approximately HK\$0.1 million).

The Group's other net (loss)/gain for the year ended 30 September 2022 included (i) net realised and unrealised loss on financial assets at fair value through profit or loss of approximately HK\$3.5 million (2021: approximately HK\$0.8 million); and (ii) foreign exchange gain of approximately HK\$0.1 million (2021: approximately HK\$0.4 million).

### **Employee Benefit Expenses**

Employee benefit expenses primarily consist of salaries, bonus and allowances as well as contributions to the mandatory provident fund for the Directors and employees of the Group. Employee benefits expenses for the year ended 30 September 2022 were approximately HK\$8.0 million (2021: approximately HK\$10.5 million), representing a decrease of approximately HK\$2.5 million as compared with the corresponding period of last year, primarily due to the decrease of approximately HK\$0.7 million of salaries and welfare, and approximately HK\$1.8 million of performance related bonuses.

### **Impairment losses recognized on right-of-use assets**

Impairment losses recognized on right-of-use assets for the year ended 30 September 2022 amounted to approximately HK\$1.8 million (2021: Nil).

## **Other Operating Expenses**

Other operating expenses for the year ended 30 September 2022 were approximately HK\$2.1 million when compared to approximately HK\$2.8 million for the corresponding period of last year. The decrease in other operating expenses was mainly due to decrease of legal and professional fee, donation and printing fee.

## **Income Tax Expense**

No provision for Hong Kong profits tax for the year ended 30 September 2022 (2021: Nil) has been made in respect of the subsidiary as no assessable profits for the year.

Income tax expense represents mainly provision of deferred taxation.

## **Loss for the Period**

The Group incurred net loss of approximately HK\$9.3 million for the year ended 30 September 2022 as compared to approximately HK\$9.4 million for the year ended 30 September 2021. The net loss for the year was mainly due to the net effect of (i) the increase in revenue by approximately HK\$2.1 million; (ii) the decrease in other income of approximately HK\$3.3 million; (iii) the impairment losses recognised on right-of-use assets of approximately HK\$1.8 million; and (iv) cost savings on employee benefit expenses and other operating expenses of approximately HK\$3.2 million.

## **Dividend**

The Board does not recommend the payment of a final dividend for the year ended 30 September 2022 (2021: Nil).

## **Liquidity and Financial Resources**

As at 30 September 2022 and 2021, the Group had cash and cash equivalents of approximately HK\$17.5 million and HK\$18.9 million respectively. The Group's current ratio was approximately 3.2 times as compared to approximately 3.9 times as at 30 September 2021.

For the year ended 30 September 2022, the gearing ratio was approximately 48.0% (2021: 31.8%). Gearing ratio is calculated by dividing total debt by total equity. Total debt is defined to include all interest-bearing borrowings and lease liabilities.

The Directors are of the view that at the date hereof, the Group's financial resources are sufficient to support its business and operations.

## **Treasury Policy**

The Group adopts a prudent financial management approach towards its treasury policy and thus maintained a healthy liquidity position throughout the reporting period. The management of the Group regularly reviews the recoverable amount of trade receivables by performing ongoing credit assessments and monitoring prompt recovery and if necessary to make adequate impairment losses for irrecoverable amounts. In order to achieve better cost control and minimise the cost of funds, the Group's treasury activities are centralised and cash is generally deposited with leading licensed banks in Hong Kong.

## **Capital Structure**

The Directors monitor the Group's capital structure by reviewing cash flow requirements, taking into account of its future financial obligations and commitments. The capital structure of the Group comprises of issued share capital and reserves attributable to Shareholders. The Directors review the Group's capital structure regularly.

## **Charges on Group Assets**

As at 30 September 2022, the Group had pledged listed stocks of approximately HK\$14.3 million to secure the loans from securities brokers (2021: approximately HK\$21.2 million).

## **Future Plans for Material Investments or Capital Assets**

The Group did not have any specific plans for material investments and capital assets as at 30 September 2022.

## **Foreign Currency Exposure**

The Group's exposures to foreign currencies mainly arises from AUD, CNY and USD deposits and USD equity investments. The Directors should be aware that foreign currency deposits and equity investments are subject to currency risks and there can be no assurance that any appreciation value of foreign currency dollar. In order to mitigate the potential impact of currency fluctuation, the Directors closely monitors its foreign currency exposures and cash is deposited with leading licensed banks and financial institutions with short maturities. No other foreign currency deposit was entered into by the Group during the year under review. As at 30 September 2022, the Group had USD deposits of approximately US\$1.9 million (2021: approximately CNY4.6 million) and US\$ equity investments of approximately US\$0.7 million (2021: approximately US\$2.7 million). The Group does not have foreign currency hedging arrangement but will closely monitor the exposure and take measures when necessary.

## **Capital Commitments and Contingent Liabilities**

As at 30 September 2022, the Group did not have any significant capital commitments and contingent liabilities (2021: Nil).

## Significant Investments, Material Acquisitions and Disposals of Subsidiaries and Capital Assets

As at 30 September 2022, the Group maintained a portfolio of equity investments with total carrying amount of approximately HK\$14.3 million (2021: approximately HK\$21.2 million). The portfolio of equity investments comprises mainly constituent stocks of key indexes in Hong Kong and US. The portfolio of equity investments as at 30 September 2022 are set out as follows.

	Investment cost HK\$'000	Unrealised fair value gain for the year ended 30 September 2022 HK\$'000	Fair value of the investment in listed securities as at 30 September 2022 HK\$'000	Percentage of fair value of the investment in listed securities/ total assets of the Group as at 30 September 2022
Financial assets at fair value through profit or loss	14,037	282	14,319	41.9%

Details of the significant investments in the portfolio under financial assets at fair value through profit or loss with a value of 5% or more of the Group's total assets as at 30 September 2022 are as follows:

Description of investments	Principal businesses	Number of shares held	Percentage held to the total issued share capital of the company as at 30 September 2022	Investment cost HK\$'000	Fair value of the investment in listed securities as at 30 September 2022 HK\$'000	Percentage of fair value of the investment in listed securities/ total assets of the Group as at 30 September 2022
CSOP CSI 300 Index Daily (Stock Code: 7333)	A-share Inverse Product	300,000	N/A	2,217	2,287	6.7%
CSOP Hang Seng TECH Index Daily (Stock Code: 7552)	Hong Kong Index Inverse Product	205,000	N/A	2,638	2,784	8.2%
Other investments	—	—	—	9,182	9,248	27.0%
Total financial assets at fair value through profit or loss				<u>14,037</u>	<u>14,319</u>	<u>41.9%</u>

Details of the performance of financial assets at fair value through profit or loss during the year ended 30 September 2022 are as follows:

<b>Description of investments</b>	<b>Realised fair value gain/ (loss) for the year ended 30 September 2022 HK\$'000</b>	<b>Unrealised fair value gain for the year ended 30 September 2022 HK\$'000</b>	<b>Dividend received during the year ended 30 September 2022 HK\$'000</b>
CSOP CSI 300 Index Daily (Stock Code: 7333)	7	70	—
CSOP Hang Seng TECH Index Daily (Stock Code: 7552)	(87)	146	—
Other investments	(3,684)	66	45
Total financial assets at fair value through profit or loss	<u>(3,764)</u>	<u>282</u>	<u>45</u>

Due to the turbulence in the stock market in the year ended 30 September 2022, the Directors expect the stock market will remain volatile in the coming year and the Group will continue to adopt the cautious approach in making investment decision in securities trading so as to obtain a balance between risk and return.

Save as disclosed above, the Group did not have any significant investments, material acquisitions and disposals of subsidiaries, associates, joint ventures and capital assets during the year ended 30 September 2022 (2021: Nil).

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 30 September 2022, the Group employed 13 (2021: 16) staff (including executive Directors). The Group determines the employees' remuneration based on factors such as qualification, duty, contributions and years of experience. In addition, the Group provides comprehensive training programs to its employees or sponsors the employees to attend various job-related training courses.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

There are certain risks and uncertainties involved in the Group's current operations, many of such are market systemic financial risks and beyond the Group's control. The most significant risks relating to the business such as (i) business continuity depending on the reliance upon key authorised persons; (ii) withdrawals and terminations of transactions by customers; (iii) default or delays in payments by customers; (iv) potential exposures of reduced financial services transactions arising from unfavourable economic and financial market and (v) the Group's business operation is regulated by legislation and various regulatory authorities. Any changes of the relevant laws, rules and regulations will have potentially impact on the Group's business and operation as noted in the sub-section headed "Business Review" above. A detailed discussion of the risk factors is set out in the section headed "Risk Factors" in the prospectus of the Company dated 8 March 2018 (the "**Prospectus**").

## **CORPORATE GOVERNANCE PRACTICES**

The Board acknowledges the importance of good corporate governance practices and believes that maintaining a high standard of corporate governance practices is crucial to the development of the Company. The Board will continue to review its corporate governance practices in order to enhance its corporate governance standards, comply with the increasingly complicated regulatory requirements, and meet with the rising expectations of the shareholders and respective investors. The Company has complied with all the code provisions of the Corporate Governance Code ("**CG Code**") as set out in Appendix 15 to the GEM Listing Rules throughout the year, stated except for the deviation as specified and explained below with considered reasons for such deviation.

## **OTHER INFORMATION**

### **Directors' Securities Transactions**

The Company has adopted the code for securities transactions by directors of listed issuers set out in the rules 5.48 to 5.67 of the GEM Listing Rules, as its own code regarding directors' dealings in the securities of the Company (the "**Own Code**"). Having made specific enquiry, all Directors confirmed that they have complied with the required standard set out in the Own Code from the year under review to the date of this announcement.

### **Purchase, Sale or Redemption of the Listed Shares of the Company**

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

### **Review by Audit Committee**

The audit committee of the Company has reviewed and discussed with the Company's auditor, CHENG & CHENG LIMITED, Certified Public Accountants, the consolidated financial statements of the Group for the year ended 30 September 2022 including critical accounting policies and practices adopted by the Group.

## **Scope of Work of CHENG & CHENG LIMITED**

The financial figures in respect of the preliminary announcement of the Group's results for the year ended 30 September 2022 have been compared by the Company's auditor, CHENG & 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 CHENG & CHENG LIMITED in this respect did not constitute an audit, review or other 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 the auditor.

## **Events after the Reporting Period**

On 21 November 2022, the Company announced a top-up placing and top-up subscription of new shares under general mandate, which was completed on 5 December 2022. Upon completion, a total number of 100,000,000 new shares were issued at HK\$0.10 per share, raising a net proceeds of approximately HK\$9.7 million for general working capital of the Group. Further details of this exercise are available in the Company's announcements dated 21 November 2022 and 5 December 2022.

## **Publication of Annual Results and Annual Report**

This announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.amasse.com.hk](http://www.amasse.com.hk)). The Company's annual report for the year ended 30 September 2022 containing all applicable information required by GEM Listing Rules will be despatched to the shareholders of the Company and published on the above websites in due course.

By order of the Board  
**Amasse Capital Holdings Limited**  
**Dato' Sri Lai Chai Suang**  
*Chairman and Executive Director*

Hong Kong, 29 December 2022

*As at the date of this announcement, the executive Directors are Dato' Sri Lai Chai Suang, Mr. Lam Ting Lok, Mr. Lo Mun Lam Raymond, Ms. Tse Fung Sum Flora and Ms. Tsang Kwong Wan; and the independent non-executive Directors are Mr. Cheung Pak To, BBS, Mr. Li Wing Sum Steven and Dr. Yu Yuen Ping.*

*This announcement will remain on the "Latest Listed Company Information" page of the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its posting and will also be published on the Company's website at [www.amasse.com.hk](http://www.amasse.com.hk).*