

AMASSE CAPITAL
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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 2023**

**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 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.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the directors of Amasse Capital Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange for the purpose of giving information with regard to the Company and its subsidiaries. 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.

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 2023 together with the comparative figures for the year ended 30 September 2022 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 September 2023

	Notes	2023 HK\$'000	2022 HK\$'000
Revenue	3	12,331	7,745
Other income and other net (loss)/gain	4	(1,876)	(2,872)
Loss allowance on trade receivables, net		(322)	(873)
Employee benefit expenses		(9,384)	(7,971)
Depreciation of plant and equipment		(115)	(156)
Depreciation of right-of-use assets		–	(1,096)
Impairment losses recognised on right-of-use assets		–	(1,810)
Other operating expenses		(2,423)	(2,131)
Finance costs		(152)	(121)
		<hr/>	<hr/>
Loss before taxation	5	(1,941)	(9,285)
Income tax	6	–	–
		<hr/>	<hr/>
Loss for the year and total comprehensive expense attributable to equity shareholders of the Company		<u>(1,941)</u>	<u>(9,285)</u>
		<hr/>	<hr/>
Loss per share	8		
– Basic and diluted (HK cents)		<u>(0.18)</u>	<u>(0.93)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	Notes	2023 HK\$'000	2022 HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
Plant and equipment		69	184
Right-of-use assets		–	–
Prepayments and deposits	10	–	6
Deferred tax assets		–	–
		<u>69</u>	<u>190</u>
Current assets			
Contract assets		63	221
Trade receivables	9	4,433	1,334
Prepayments, deposits and other receivables	10	690	612
Financial assets at fair value through profit or loss	11	10,426	14,319
Cash and cash equivalents		23,967	17,482
		<u>39,579</u>	<u>33,968</u>
Current liabilities			
Other payables and accruals	12	501	530
Contract liabilities		217	22
Lease liabilities		724	1,108
Loans from securities brokers		7,619	9,028
		<u>9,061</u>	<u>10,688</u>
Net current assets		<u>30,518</u>	<u>23,280</u>
Total assets less current liabilities		<u>30,587</u>	<u>23,470</u>
Non-current liabilities			
Lease liabilities		–	724
Provision for long service payment		244	137
		<u>244</u>	<u>861</u>
Net assets		<u>30,343</u>	<u>22,609</u>
EQUITY			
Share capital		11,000	10,000
Reserves		19,343	12,609
		<u>30,343</u>	<u>22,609</u>
Total equity		<u>30,343</u>	<u>22,609</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2023

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 principal subsidiaries are provision of corporate finance advisory services and investment advisory services. 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 Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all 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 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 amendments to HKFRSs

The HKICPA has issued a number of 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 3	Reference to the Conceptual Framework
Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020

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 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 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ³
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ³
Amendments to HKAS 1	Non-current Liabilities with Covenants ³
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies ¹
Amendments to HKAS 8	Definition of Accounting Estimates ¹
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ³
Amendments to HKAS 21	Lack of Exchangeability ⁴

¹ Effective for annual periods beginning on or after 1 January 2023.

² Effective for annual periods beginning on or after a date to be determined.

³ Effective for annual periods beginning on or after 1 January 2024.

⁴ Effective for annual periods beginning on or after 1 January 2025.

Except for the new and amendments to HKFRSs mentioned below, 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.

Amendments to HKAS 1 and HKFRS Practice Statement 2 Disclosure of Accounting Policies

HKAS 1 is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 Making Materiality Judgements (the “**Practice Statement**”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments is not expected to have significant impact on the financial position or performance of the Group but may affect the disclosures of the Group’s significant accounting policies. The impacts of application, if any, will be disclosed in the Group’s future consolidated financial statements.

Amendments to HKAS 8 Definition of Accounting Estimates

The amendments define accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty”. An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty — that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

In addition, the concept of changes in accounting estimates in HKAS 8 is retained with additional clarifications.

The application of the amendments is not expected to have significant impact on the Group’s consolidated financial statements.

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:

	2023	2022
	HK\$’000	HK\$’000
Corporate finance advisory fee income from acting as:		
Financial adviser	10,308	6,251
Independent financial adviser	1,823	1,194
	<hr/>	<hr/>
	12,131	7,445
Investment advisory fee income	200	300
	<hr/>	<hr/>
	12,331	7,745
	<hr/> <hr/>	<hr/> <hr/>

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

	2023	2022
	HK\$’000	HK\$’000
Disaggregated by timing of revenue recognition		
Over time	12,331	7,745
	<hr/> <hr/>	<hr/> <hr/>

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

	2023 HK\$'000	2022 HK\$'000
Other income		
Bank interest income	517	97
Dividend income	11	45
Government grants (note)	34	302
Reversal of provision for long service payment	–	34
Sundry income	38	–
	<u>600</u>	<u>478</u>
Other net (loss)/gain		
Net realised loss on financial assets at FVTPL	(2,462)	(3,764)
Net unrealised gain on financial assets at FVTPL	44	282
Net exchange (losses)/gains	(58)	132
	<u>(2,476)</u>	<u>(3,350)</u>
	<u>(1,876)</u>	<u>(2,872)</u>

Note: Government grants of HK\$34,000 (2022: HK\$302,000) relates to Employment Support Scheme provided by the Hong Kong government.

5. LOSS BEFORE TAXATION

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

	2023 HK\$'000	2022 HK\$'000
Auditor's remuneration	250	250
Donation	194	311
Employee benefit expenses (including directors' remuneration)	9,384	7,971
Salaries and welfare	7,578	6,984
Performance related bonus	1,672	785
Retirement benefit scheme contributions	134	202
Expenses relating to short-term leases	20	20
Net exchange losses/(gains)	58	(132)
	<u>58</u>	<u>(132)</u>

6. INCOME TAX

	2023 HK\$'000	2022 HK\$'000
Deferred taxation	<u> -</u>	<u> -</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 entities in the Group have either no assessable profits for the year or available tax losses brought forward from prior years to offset the assessable profits generated during the year.

7. DIVIDEND

No 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:

	2023	2022
Loss for the year attributable to equity shareholders of the Company (HK\$'000)	<u>(1,941)</u>	<u>(9,285)</u>
Weighted average number of ordinary shares ('000)	<u>1,082,192</u>	<u>1,000,000</u>

For each year ended 30 September 2023 and 30 September 2022, 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

	2023 HK\$'000	2022 HK\$'000
Trade receivables	6,246	4,910
Less: Loss allowance	<u>(1,813)</u>	<u>(3,576)</u>
	<u>4,433</u>	<u>1,334</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.

	2023	2022
	HK\$'000	HK\$'000
Within 1 month	1,662	394
1 to 3 months	1,203	131
Over 3 months	1,568	809
	<u>4,433</u>	<u>1,334</u>

10. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2023	2022
	HK\$'000	HK\$'000
Prepayments	303	234
Deposits	360	360
Other receivables	27	24
	<u>690</u>	<u>618</u>
Deduct: Non-current portion	<u>–</u>	<u>(6)</u>
Current portion	<u>690</u>	<u>612</u>

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at FVTPL as at 30 September comprise:

	2023	2022
	HK\$'000	HK\$'000
Listed securities held for trading:		
– Equity security listed in Hong Kong	9,595	9,194
– Equity security listed in the United States	831	5,125
	<u>10,426</u>	<u>14,319</u>

12. OTHER PAYABLES AND ACCRUALS

	2023	2022
	HK\$'000	HK\$'000
Other payables	154	44
Accruals	347	486
	<u>501</u>	<u>530</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.

The Group experienced a harsh business environment for the financial year ended 30 September 2023 (“FY2023”) caused by the war between Russia and Ukraine, the rising interest rates by the Federal Reserve (the “Federal Reserve”) of the United States of America (the “USA”) and the tensions between People’s Republic of China (the “PRC”) and the USA. But the Directors are happy that the cross-border restrictions between Hong Kong and the PRC had been fully released in February 2023 and the Group is able to seek more business opportunities. The Directors note that despite the global economics and financial market remain uncertain, they are recovering and growing at a slow pace. The Directors also observe that the Federal Reserve has not increased the interest rate since July 2023 and the resumption of diplomacy between the PRC and the USA.

The Group’s performance for FY2023 was improved significantly as the revenue had increased by approximately 59.2% to HK\$12.3 million and the loss for the year had decreased by approximately 79.1% to HK\$1.9 million, when compared to that for the corresponding period in 2022 respectively. The Directors believe that the Group’s performance will continuous to improve in absence of unforeseeable circumstances.

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 had great improvement that revenue for FY2023 was increased by approximately 62.9% when compared to that for the corresponding period in 2022. During FY2023, the Group had successfully secured 19 new corporate finance advisory services contract with an aggregate contract sum of approximately HK\$10.6 million.

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.

The Group would like to update that despite the Group had been engaged to act as asset management advisor for two limited partnership funds, the parent company of such funds has unfortunately been delisted in Hong Kong and therefore such transactions will not proceed. The Group will continuous to solicit for other opportunities on asset management advisory.

Save for the above two services, the Group is also developing advisory on securities dealing services and entered into a service contract with a private company for providing advisory on Asia portfolio trading and management services. The Company generated a revenue of approximately HK\$0.2 million from the said contract for FY2023. This development is a key milestone for the Group to expand and diversify the business of the Group.

For the period from 1 October 2023 to 20 December 2023, the outstanding contract sum from the Group's advisory services contracts is over HK\$8.0 million.

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.

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 and the Group's performance will continuous to improve as mentioned above.

FINANCIAL REVIEW

Revenue

Revenue for the year ended 30 September 2023 amounted to approximately HK\$12.3 million, representing an increase of approximately HK\$4.6 million or approximately 59.2% as compared with that of approximately HK\$7.7 million for the corresponding period of last year. Such increase was mainly driven by the increase of total corporate finance advisory transactions, in which some complex transactions induced higher servicing fee.

Other Income and Other Net (Loss)/Gain

The Group's other income for the year ended 30 September 2023 mainly included (i) bank interest income of approximately HK\$0.5 million (2022: approximately HK\$0.1 million); (ii) Hong Kong Government's subsidy, Employment Support Scheme of approximately HK\$0.03 million (2022: approximately HK\$0.3 million); and (iii) dividend income of approximately HK\$0.01 million (2022: approximately HK\$0.05 million).

The Group's other net (loss)/gain for the year ended 30 September 2023 included (i) net realised and unrealised loss on financial assets at fair value through profit or loss of approximately HK\$2.4 million (2022: approximately HK\$3.5 million); and (ii) foreign exchange loss of approximately HK\$0.06 million (2022: gain of approximately HK\$0.1 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 2023 were approximately HK\$9.4 million (2022: approximately HK\$8.0 million), representing an increase of approximately HK\$1.4 million as compared with the corresponding period of last year, primarily due to the increase of approximately HK\$0.6 million of salaries and welfare, and approximately HK\$0.9 million of performance related bonuses paid during the year.

Other Operating Expenses

Other operating expenses for the year ended 30 September 2023 were approximately HK\$2.4 million when compared to approximately HK\$2.1 million for the corresponding period of last year. The increase in other operating expenses was mainly due to increase of legal and professional fee, and printing fee.

Income Tax Expense

No provision for Hong Kong Profits Tax has been made as the entities in the Group have either no assessable profits for the year or available tax losses brought forward from prior years to offset the assessable profits generated during the year (2022: Nil).

Loss for the Period

The Group incurred net loss of approximately HK\$1.9 million for the year ended 30 September 2023 as compared to approximately HK\$9.3 million for the year ended 30 September 2022. The decrease of net loss for the year was mainly due to the net effect of (i) the increase in revenue by approximately HK\$4.6 million; (ii) the decrease in other income and other net loss of approximately HK\$1.0 million; (iii) the decrease in loss allowance on trade receivables of approximately HK\$0.6 million; (iv) cost increased on employee benefit expenses and other operating expenses of approximately HK\$1.7 million; and (v) no cost incurred for right-of-use assets while the expenses incurred in last year was approximately HK\$2.9 million.

Dividend

The Board does not recommend the payment of a final dividend for the year ended 30 September 2023 (2022: Nil).

Liquidity and Financial Resources

As at 30 September 2023 and 2022, the Group had cash and cash equivalents of approximately HK\$24.0 million and HK\$17.5 million respectively. The Group's current ratio was approximately 4.4 times as compared to approximately 3.2 times as at 30 September 2022.

For the year ended 30 September 2023, the gearing ratio was approximately 27.5% (2022: 48.0%). 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 2023, the Group had pledged listed stocks of approximately HK\$10.4 million to secure the loans from securities brokers (2022: approximately HK\$14.3 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 2023.

Foreign Currency Exposure

The Group's exposures to foreign currencies mainly arises from 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 2023, the Group had USD deposits of approximately US\$2.4 million (2022: approximately US\$1.9 million) and US\$ equity investments of approximately US\$0.1 million (2022: approximately US\$0.7 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 2023, the Group did not have any significant capital commitments and contingent liabilities (2022: Nil).

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

As at 30 September 2023, the Group maintained a portfolio of equity investments with total carrying amount of approximately HK\$10.4 million (2022: approximately HK\$14.3 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 2023 are set out as follows.

	Investment cost HK\$'000	Unrealised fair value gain for the year ended 30 September 2023 HK\$'000	Fair value of the investment in listed securities as at 30 September 2023 HK\$'000	Percentage of fair value of the investment in listed securities/ total assets of the Group as at 30 September 2023
Financial assets at fair value through profit or loss	10,382	44	10,426	26.3%

The Group held less than 0.1% of shareholding in each of the listed securities in the above equity investments portfolio and none of the investments was individually with value of 5% or above of the Group's total assets.

During the year ended 30 September 2023, the global stock market remained volatile and the Group will continue to adopt the cautious and risk/return balanced approach in making investment decision in securities trading.

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 2023 (2022: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2023, the Group employed 17 (2022: 13) 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

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.

Save as disclosed above, 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, CWK CPA Limited, the consolidated financial statements of the Group for the year ended 30 September 2023 including critical accounting policies and practices adopted by the Group.

Scope of Work of CWK CPA Limited

The financial figures in respect of the preliminary announcement of the Group's results for the year ended 30 September 2023 have been compared by the Company's auditor, CWK CPA Limited, 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 CWK CPA 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.

Publication of Annual Results and Annual Report

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.amasse.com.hk). The Company's annual report for the year ended 30 September 2023 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
Huang Min
Chairman and Executive Director

Hong Kong, 20 December 2023

As at the date of this announcement, the executive Directors are Ms Huang Min, 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 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.