

ALTUS

Altus Holdings Limited

incorporated in the Cayman Islands with limited liability
Stock Code : 8149



FY2022
THIRD QUARTERLY REPORT

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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

This report, for which the directors (the “Directors”) of Altus Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this 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.

FINANCIAL HIGHLIGHTS

- The Company and its subsidiaries (collectively referred to as the “**Group**”) recorded an unaudited revenue of approximately HK\$40.7 million for the nine months from 1 April to 31 December 2021 (“**YTD Dec 2021**”), representing a decrease of approximately 9.3% when compared with approximately HK\$44.8 million for the nine months from 1 April to 31 December 2020 (“**YTD Dec 2020**”).
- The Group recorded both reported and underlying net profit ^(Note) of approximately HK\$6.2 million in YTD Dec in 2021 compared with a reported net profit and an underlying net profit of approximately HK\$1.1 million and HK\$8.5 million respectively in YTD Dec 2020.

Underlying net profit was lower in YTD Dec 2021 compared with YTD Dec 2020 due mainly to the absence of certain other income such as government subsidies under the Employment Support Scheme (the “**Employment Support Scheme**”) previously. Reported net profit for YTD Dec 2021 improved compared with YTD Dec 2020 in the absence of the net decrease in fair value of investment properties of HK\$7.7 million previously recorded.

- For YTD Dec 2021, the underlying and reported basic and diluted earnings per share were HK0.70 cent and HK0.69 cent respectively ^(Note). For YTD Dec 2020, the underlying basic and diluted earnings per share were HK0.99 cent and HK0.98 cent respectively ^(Note), and the reported basic and diluted earnings per share were both HK0.07 cent.
- The Directors do not recommend the payment of any interim dividend for 3Q FY2022.

Note: Underlying net profit excludes the fair value changes of investment properties and the related deferred taxation charged.

UNAUDITED CONDENSED CONSOLIDATED RESULTS

The board of Directors (the “**Board**”) is pleased to announce the unaudited condensed consolidated results of the Group for the three months ended 31 December 2021 (“**3Q FY2022**”) and YTD Dec 2021, together with the comparative unaudited figures for the three months ended 31 December 2020 (“**3Q FY2021**”) and YTD Dec 2020, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS ACCOUNT FOR YTD DEC 2020 AND YTD DEC 2021

		3Q FY2022 (Unaudited) HK\$'000	3Q FY2021 (Unaudited) HK\$'000	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
	<i>Notes</i>				
Revenue	3	14,845	17,053	40,665	44,835
Other income	5	140	520	199	1,933
Net decrease in fair value of investment properties		–	(2,301)	–	(7,663)
Changes in fair value of derivative financial liabilities		4	(9)	31	(74)
Property expenses		(3,024)	(3,886)	(9,434)	(10,777)
Administrative and operating expenses		(7,339)	(7,615)	(18,780)	(20,537)
Share of results of an associate		(21)	(4)	2	18
Finance costs	6	(964)	(1,122)	(3,176)	(3,527)
Profit before tax		3,641	2,636	9,507	4,208
Income tax expense	7	(1,164)	(965)	(3,288)	(3,061)
Profit for the period	8	2,477	1,671	6,219	1,147
Profit for the period attributable to:					
Owners of the Company		2,326	1,559	5,625	599
Non-controlling interests		151	112	594	548
		2,477	1,671	6,219	1,147

	<i>Notes</i>	3Q FY2022 (Unaudited) HK cent	3Q FY2021 (Unaudited) HK cent	YTD Dec 2021 (Unaudited) HK cent	YTD Dec 2020 (Unaudited) HK cent
Earnings per share based on profit attributable to owners of the Company (reported earnings per share)					
– Basic	<i>10</i>	0.29	0.19	0.70	0.07
– Diluted	<i>10</i>	0.29	0.19	0.69	0.07
Earnings per share excluding the net effect of fair value changes in investment properties and the related deferred taxation charged (underlying earnings per share)					
– Basic	<i>10</i>	0.29	0.45	0.70	0.99
– Diluted	<i>10</i>	0.29	0.45	0.69	0.98

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR YTD DEC 2020 AND YTD DEC 2021

	3Q FY2022 (Unaudited) HK\$'000	3Q FY2021 (Unaudited) HK\$'000	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
Profit for the period	2,477	1,671	6,219	1,147
Other comprehensive (expense) income for the period				
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Exchange differences arising on translation of foreign operations	(10,828)	9,022	(13,499)	18,094
<i>Items that will not be subsequently reclassified to profit or loss:</i>				
Change in fair value of financial assets at fair value through other comprehensive income ("FVTOCI")	22	100	(134)	(229)
Other comprehensive (expense) income for the period	(10,806)	9,122	(13,633)	17,865
Total comprehensive (expense) income for the period	(8,329)	10,793	(7,414)	19,012
Total comprehensive (expense) income for the period attributable to:				
Owners of the Company	(8,108)	9,265	(7,840)	16,447
Non-controlling interests	(221)	1,528	426	2,565
	(8,329)	10,793	(7,414)	19,012

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YTD DEC 2021

	Attributable to owners of the Company							Total HK\$'000			
	Share capital HK\$'000	Share premium (note (ii)) HK\$'000	Other reserve (note (iii)) HK\$'000	Investment revaluation reserve HK\$'000	Shareholder contribution (note (iii)) HK\$'000	Share awards reserve (note (iv)) HK\$'000	Exchange reserve HK\$'000		Retained profits HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000
At 1 April 2021 (audited)	8,034	72,431	98,819	(492)	11,319	210	(20,873)	280,186	449,634	14,529	464,163
Profit for the period	-	-	-	-	-	-	-	5,625	5,625	594	6,219
Other comprehensive (expenses) income for the period:											
Change in fair value of financial assets at FVTOCI	-	-	-	(134)	-	-	-	-	(134)	-	(134)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	(13,331)	-	(13,331)	(168)	(13,499)
	-	-	-	(134)	-	-	(13,331)	-	(13,465)	(168)	(13,633)
Total comprehensive (expense) income for the period	-	-	-	(134)	-	-	(13,331)	5,625	(7,840)	426	(7,414)
Share repurchased and cancelled	(6)	(95)	-	-	-	-	-	-	(101)	-	(101)
Vested shares for shares award	7	123	-	-	-	(130)	-	-	-	-	-
Share based payments	-	-	-	-	-	1,088	-	1,088	1,088	-	1,088
Dividend paid to non-controlling shareholders (note 9)	-	-	-	-	-	-	-	-	-	(108)	(108)
At 31 December 2021 (unaudited)	8,035	72,459	98,819	(626)	11,319	1,168	(34,204)	285,811	442,781	14,847	457,628

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YTD DEC 2020

	Attributable to owners of the Company							Total HK\$'000		
	Share capital HK\$'000	Share premium (note (i)) HK\$'000	Other reserve (note (ii)) HK\$'000	Investment revaluation reserve HK\$'000	Shareholder contribution (note (iii)) HK\$'000	Share awards reserve (note (iv)) HK\$'000	Exchange reserve HK\$'000		Retained profits HK\$'000	Non- controlling interests HK\$'000
At 1 April 2020 (audited)	8,000	71,436	98,819	159	11,319	247	(2,914)	274,708	14,420	466,194
Profit for the period	-	-	-	-	-	-	-	599	548	1,147
Other comprehensive income (expenses) for the period:										
Change in fair value of financial assets at FVTOCI	-	-	-	(229)	-	-	-	-	-	(229)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	16,077	-	2,017	18,094
	-	-	-	(229)	-	-	16,077	-	2,017	17,865
Total comprehensive income (expense) for the period	-	-	-	(229)	-	-	16,077	599	2,565	19,012
Transfer of cumulative fair value changes of financial asset at FVTOCI upon its derecognition	-	-	-	(784)	-	-	-	784	-	-
Share based payments	-	-	-	-	-	795	-	-	-	795
Dividend paid to non-controlling shareholders (note 9)	-	-	-	-	-	-	-	-	(222)	(222)
Dividend paid (note 9)	-	-	-	-	-	-	-	(1,600)	-	(1,600)
At 31 December 2020 (unaudited)	8,000	71,436	98,819	(854)	11,319	1,042	3,163	274,491	16,763	484,179

Notes:

- (i) Share premium represents (i) the difference between the shareholders' contribution and the issued capital; (ii) the difference between the consideration paid for repurchase of shares of the Company and the reduction of share capital; and (iii) the difference between the increase in share capital and the deduction of share awards reserve at the date of shares being vested. The share premium is distributable.
- (ii) Other reserve mainly includes (i) the difference between the nominal value of the issued share capital of the Company and its subsidiaries and the net assets value of the subsidiaries of the Group, upon completion of the group reorganisation on 26 September 2016; and (ii) the difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received arising from changes in the ownership interests of the Group in existing subsidiaries that do not result in the loss of control and they are accounted for as equity transactions.
- (iii) Amounts represent the employee benefits borne by the ultimate holding company, Kinley-Hecico Holdings Limited ("KHHL").
- (iv) Amounts represent the employee benefits for the purpose of recognising and rewarding their contribution, which are borne by the Company.

1. GENERAL

The Company was incorporated as an exempted company with limited liability on 11 November 2015 in the Cayman Islands under the Companies Law, Chapter 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands. The shares of the Company were listed on GEM of the Stock Exchange on 17 October 2016. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Its principal place of business is located at 21 Wing Wo Street, Central, Hong Kong.

The Company is engaged in investment holding and its major operating subsidiaries are mainly engaged in the provision of corporate finance and other consultancy services and proprietary investments in properties and securities. Its subsidiaries invest in Japan properties by entering into Japanese tokumei kumiai arrangements (“**TK Agreements**”) as a tokumei kumiai investor with Japanese limited liability companies known as tokumei kumiai operators, which are the property holding companies.

The ultimate holding company is KHHL, a company incorporated in the British Virgin Islands (“**BVI**”) with limited liability. KHHL is deemed to be interested in the Company through its wholly-owned subsidiary, Flying Castle Limited. KHHL is ultimately controlled by two parties, Ms. Chan Kit Lai, Cecilia (“**Ms. Chan**”) and Landmark Trust Switzerland SA (the “**Trustee**”), which the beneficiaries of the trust are Mr. Arnold Ip Tin Chee (“**Mr. Ip**”) and Ms. Lam Ip Tin Wai Chyvette (“**Ms. Ip**”).

The condensed consolidated financial statements of the Group for YTD Dec 2021 (the “**Unaudited Condensed Consolidated Financial Statements**”) are unaudited, but have been reviewed by the audit committee of the Company (the “**Audit Committee**”). The Unaudited Condensed Consolidated Financial Statements were approved and authorised for issue by the Directors on 8 February 2022.

The Unaudited Condensed Consolidated Financial Statements are presented in Hong Kong dollars (“**HKS**”) which is same as the functional currency of the Company. Other than those subsidiaries incorporated in Japan, whose functional currency is Japanese Yen (“**JPY**”), the functional currency of the Company and other subsidiaries is HKS.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL INFORMATION

The Unaudited Condensed Consolidated Financial Statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 Interim Financial Reporting and Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). In addition, the Unaudited Condensed Consolidated Financial Statements include applicable disclosure required by the GEM Listing Rules. The Unaudited Condensed Consolidated Financial Statements do not include all the information and disclosures required in the annual financial statements and thereby should be read in conjunction with the annual financial information for the year ended 31 March 2021 (the “2021 Financial Information”). The Unaudited Condensed Consolidated Financial Statements have been prepared in accordance with the same accounting policies adopted by the Group in the 2021 Financial Information except for the adoption of new or revised HKFRSs issued by the HKICPA, which are effective for the financial year of the Group beginning on 1 April 2021.

The Group has not adopted ahead of the effective date any new and revised HKFRSs that have been issued by the HKICPA.

The Unaudited Condensed Consolidated Financial Statements have been prepared on the historical cost basis except for financial instruments and investment properties that are measured at fair values.

(i) Adoption of amendments to HKFRSs

Adoption of amendments to HKFRSs effective on 1 April 2021

In YTD Dec 2021, the Group has applied, for the first time, the following new and amendments to HKFRSs, which include HKFRS, HKAS, amendments and interpretations, issued by the HKICPA.

<i>Amendments to HKAS 39, HKFRS 4, HKFRS 7 and HKFRS 16</i>	<i>Interest Rate Benchmark Reform – Phase 2</i>
<i>Amendments to HKFRS 16</i>	<i>COVID-19-Related Rent concessions</i>
<i>Amendments to HKFRS 16</i>	<i>COVID-19-Related Rent concessions beyond 30 June 2021</i>

The application of the above amendments to HKAS and HKFRS in YTD Dec 2021 has had no material effect on the amounts reported in these Unaudited Condensed Consolidated Financial Statements and/or on the disclosures set out in these Unaudited Condensed Consolidated Financial Statements.

3. REVENUE

Revenue represents revenue arising from provision of corporate finance and other consultancy services and leasing of investment properties during the periods. An analysis of revenue of the Group for the period is as follows:

	3Q FY2022 (Unaudited) HK\$'000	3Q FY2021 (Unaudited) HK\$'000	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15				
Disaggregated by the major services line:				
Corporate finance and other consultancy services income	5,847	6,912	12,924	14,946
Revenue from other source				
Rental income for investment properties under operating leases – fixed lease payments (Note)	8,998	10,141	27,741	29,889
	14,845	17,053	40,665	44,835

Revenue generated from corporate finance services for YTD Dec 2021 and YTD Dec 2020 are recognised over time.

Note: An analysis of net rental income of the Group is as follows:

	3Q FY2022 (Unaudited) HK\$'000	3Q FY2021 (Unaudited) HK\$'000	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
Gross rental income from investment properties	8,998	10,141	27,741	29,889
Direct operating expenses incurred for investment properties that generated rental income during the periods (included in property expenses)	(3,024)	(3,886)	(9,434)	(10,777)
Net rental income	5,974	6,255	18,307	19,112

Transaction price allocated to the remaining performance obligations

As at 31 December 2021, the aggregate amount of transaction price allocated to the performance obligations that are unsatisfied (or partially satisfied) is approximately HK\$5.3 million (31 December 2020: approximately HK\$5.5 million). The amount represents revenue expected to be recognised in the future from various mandates. The Group will recognise this revenue when the service is rendered and completed. As evaluated by the management, revenue of approximately HK\$5.3 million and nil (31 December 2020: approximately HK\$5.5 million and nil) are expected to be recognised within 1 year and after 1 year respectively.

4. SEGMENT INFORMATION

Information reported to the chief operating decision maker (the “CODM”), being the Directors, for the purpose of resource allocation and assessment of segment performance focuses on type of services provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the reportable and operating segments of the Group are as follows:

- (i) Advisory and consulting – provision of corporate finance services including sponsorship, financial advisory, compliance advisory, equity capital market consulting, special situations consulting and investment consulting services; and
- (ii) Proprietary investments – leasing of investment properties for residential and commercial use and derives rental income therefrom and holding of a portfolio of securities for dividend income and aims for capital gain.

The following is an analysis of revenue and results of the Group by reportable and operating segment.

	3Q FY2022			3Q FY2021		
	Advisory and consultancy (Unaudited) HK\$'000	Proprietary investments (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Advisory and consultancy (Unaudited) HK\$'000	Proprietary investments (Unaudited) HK\$'000 (Restated)	Total (Unaudited) HK\$'000 (Restated)
REVENUE						
External revenue and segment revenue	5,847	8,998	14,845	6,912	10,141	17,053
RESULT						
Segment profit <i>(Note)</i>	2,700	4,851	7,551	3,942	2,648	6,590
Other income and expenses, net			(3,631)			(3,654)
Share of results of an associate			(21)			(4)
Finance costs			(258)			(296)
Profit before tax			3,641			2,636

4. SEGMENT INFORMATION (CONTINUED)

	YTD Dec 2021			YTD Dec 2020		
	Advisory and consultancy (Unaudited) HK\$'000	Proprietary investments (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Advisory and consultancy (Unaudited) HK\$'000	Proprietary investments (Unaudited) HK\$'000 (Restated)	Total (Unaudited) HK\$'000 (Restated)
REVENUE						
External revenue and segment revenue	12,924	27,741	40,665	14,946	29,889	44,835
RESULT						
Segment profit <i>(Note)</i>	5,185	15,100	20,285	7,011	7,717	14,728
Other income and expenses, net			(9,805)			(9,482)
Share of results of an associate			2			18
Finance costs			(975)			(1,056)
Profit before tax			9,507			4,208

Note: No fair value change of investment properties has been recognised in the segment profit of the proprietary investments during YTD Dec 2021 (YTD Dec 2020: Decrease of approximately HK\$7.7 million).

The accounting policies of the operating segments are the same as the accounting policies of the Group. Segment profit represents the profit earned generated by each segment without allocation of central administration costs, directors' emoluments, certain other income, share of results of an associate and certain finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

4. SEGMENT INFORMATION (CONTINUED)

Breakdown of revenue by services:

A breakdown of the revenue by services of the Group under advisory and consulting and proprietary investments segments is as follows:

	3Q FY2022 (Unaudited) HK\$'000	3Q FY2021 (Unaudited) HK\$'000	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
Advisory and consulting				
Sponsorship services	571	2,670	1,941	4,274
Financial advisory services	4,720	2,950	9,501	6,575
Compliance advisory services	248	1,042	754	3,445
Others corporate finance services	308	250	728	652
	5,847	6,912	12,924	14,946
Proprietary investments				
Rental income	8,998	10,141	27,741	29,889
	14,845	17,053	40,665	44,835

5. OTHER INCOME

	3Q FY2022 (Unaudited) HK\$'000	3Q FY2021 (Unaudited) HK\$'000	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
Bank interest income	1	7	5	41
Dividend income from financial assets at FVTOCI	–	–	55	69
Gain on disposal of financial assets at fair value through profit or loss	–	47	–	247
Reversal of impairment loss of trade receivables	139	9	139	16
Others (<i>Note</i>)	–	457	–	1,560
	140	520	199	1,933

Note:

The amount represents (i) government subsidies; and (ii) forfeited tenant deposit. The Hong Kong Government introduced the Employment Support Scheme in April 2020 to help enterprises to retain their employees during COVID-19 pandemic. The government subsidies represent the subsidies received under such scheme.

6. FINANCE COSTS

	3Q FY2022 (Unaudited) HK\$'000	3Q FY2021 (Unaudited) HK\$'000	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
Interests on:				
Secured bank borrowings	964	1,122	3,176	3,527
	964	1,122	3,176	3,527

7. INCOME TAX EXPENSE

	3Q FY2022 (Unaudited) HK\$'000	3Q FY2021 (Unaudited) HK\$'000	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
Current tax:				
Hong Kong profits tax	(58)	197	(58)	269
Japanese corporate income tax	321	75	543	239
Japanese withholding tax	419	461	1,348	1,392
	682	733	1,833	1,900
Deferred taxation	482	232	1,455	1,161
	1,164	965	3,288	3,061

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. For YTD Dec 2021 and YTD Dec 2020, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other entities of the Group in Hong Kong which are not qualified for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

Under the Japan corporate income tax law, Japanese corporate income tax is calculated at 33.58% of the estimated assessable profits for YTD Dec 2021 (YTD Dec 2020: 33.58%). However, for certain Japanese subsidiaries under the TK Agreements, the applicable Japanese withholding tax rate of those Japanese subsidiaries was 20.42% for YTD Dec 2021 and YTD Dec 2020.

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

8. PROFIT FOR THE PERIOD

	3Q FY2022 (Unaudited) HK\$'000	3Q FY2021 (Unaudited) HK\$'000	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
Profit for the period has been arrived at after charging:				
Staff cost, excluding directors' emoluments:				
– Salaries, bonus and other benefits	3,385	2,818	8,025	8,645
– Contributions to retirement benefits schemes	74	87	211	270
Total staff costs, excluding directors' emoluments	3,459	2,905	8,236	8,915
Directors' emoluments	969	1,378	2,696	2,783
Auditors' remuneration	175	188	525	563
Depreciation of property, plant and equipment	259	260	782	824
Depreciation of right-of-use assets	–	–	–	61
Share based payments	425	296	1,088	795
Impairment loss of trade receivables	–	628	–	628
Net exchange loss	279	238	382	437

9. DIVIDEND

	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
Dividends recognised as distribution to non-controlling interests during the periods by:		
<u>Smart Tact Property Investment Limited (“Smart Tact”)</u>		
2020 interim, paid – JPY1,375 per share (equivalent to HK\$100 per share)	–	94
2021 interim, paid – JPY461 per share (equivalent to HK\$32 per share)	30	–
<u>I Corporation</u>		
2020 interim, paid – JPY28,100 per share (equivalent to HK\$2,046 per share)	–	29
2021 interim, paid – JPY19,091 per share (equivalent to HK\$1,333 per share)	19	–
<u>EXE Rise Shimodori Investor Limited (“EXE”)</u>		
2020 interim, paid – JPY113,773 per share (equivalent to HK\$8,283 per share)	–	99
2021 interim, paid – JPY16,794 per share (equivalent to HK\$1,172 per share)	14	–
<u>Residence Motoki Investment Limited (“Residence”)</u>		
2021 interim, paid – JPY500 per share (equivalent to HK\$35 per share)	45	–
	108	222

The Directors do not recommend the payment of any interim dividend for 3Q FY2022 (3Q FY2021: nil).

10. EARNINGS PER SHARE

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

(a) Number of shares

	31 December 2021 '000	31 December 2020 '000	31 December 2021 '000	31 December 2020 '000
Weighted average number of ordinary shares for the purpose of basic earnings per share (<i>Note</i>)	803,759	800,000	803,493	800,000
Effect of dilutive potential ordinary shares: Share Awards (as defined below)	7,671	6,397	6,375	6,397
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>811,430</u>	<u>806,397</u>	<u>809,868</u>	<u>806,397</u>

Note: During YTD Dec 2021, the Company repurchased 500,000 ordinary shares from the Stock Exchange. The total amount paid to repurchase these ordinary shares was approximately HK\$0.1 million. All the repurchased shares had been cancelled as at 31 December 2021.

(b) Reported earnings

	3Q FY2022 (Unaudited) HK\$'000	3Q FY2021 (Unaudited) HK\$'000	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
Earnings for the purpose of basic and diluted earnings per share (Profit for the period attributable to owners of the Company)	2,326	1,559	5,625	599

10. EARNINGS PER SHARE (CONTINUED)

(c) Underlying earnings

For the purpose of assessing the underlying performance of the Group, basic and diluted earnings per share are calculated based on the underlying profits attributable to the owners of the Company which excluded the net effect of changes in the valuation of investment properties and deferred taxation charged. A reconciliation of profits is as follow:

	3Q FY2022 (Unaudited) HK\$'000	3Q FY2021 (Unaudited) HK\$'000	YTD Dec 2021 (Unaudited) HK\$'000	YTD Dec 2020 (Unaudited) HK\$'000
Earnings for the purpose of basic and diluted earnings per share (Profit for the period attributable to the owners of the Company)	2,326	1,559	5,625	599
Fair value change of investment properties and the related deferred taxation charged	–	2,035	–	7,324
Earnings for the purpose of basic and diluted earnings per share (Underlying profit for the period attributable to the owners of the Company)	2,326	3,594	5,625	7,923

11. SHARE AWARDS

During YTD Dec 2021, the movement of share awards granted are as follows:

Date of grant	Grantee(s)	Notes	Number of new shares of the Company awarded	Number of respective shares awarded				
				Vested and issued, and lapsed as at 1 April 2021	Vested or issued during YTD Dec 2021	Lapsed during YTD Dec 2021	To be vested and issued as at 31 December 2021	
25 June 2018	Two executive directors of a wholly-owned subsidiary of the Group	1, 2	4,800,000 (the "2018 Share Awards")	3,520,000	1,280,000	-	-	
3 July 2019	Two executive directors of a wholly-owned subsidiary of the Group; and seven employees of the Group who are independent third parties	1, 3	1,200,000 (the "2019 Connected Grants") 740,000 (the "2019 Selected Employees Grant")	1,200,000 740,000	-	-	-	
26 June 2020	Two executive directors of a wholly-owned subsidiary of the Group; and ten employees of the Group who are independent third parties	1, 4	2,540,000 (the "2020 Connected Grants") 1,290,000 (the "2020 Selected Employees Grant")	- 720,000	780,000 560,000	- 10,000	1,760,000 -	
31 December 2020 and 29 June 2021	Two executive directors of a wholly-owned subsidiary of the Group; and ten employees of the Group who are independent third parties	1, 5	1,440,000 (the "2021 Connected Grants") 2,490,000 (the "2021 Selected Employees Grant")	- -	540,000 1,370,000	- 160,000	900,000 960,000	
				14,500,000	6,180,000	4,530,000	170,000	3,620,000

11. SHARE AWARDS (CONTINUED)

Notes:

1. One of the Grantees has since been appointed as an executive director of a wholly-owned subsidiary of the Group with effect from 23 June 2021.
2. Details of the 2018 Share Awards were set out in the circular of the Company dated 20 July 2018. Relevant approvals were obtained at an extraordinary general meeting of the Company held on 8 August 2018. As at 31 December 2021, 1,280,000 shares of the 2018 Share Awards had vested and subsequently been issued to relevant employees respectively in January 2022.
3. Details of the 2019 Connected Grants and 2019 Selected Employees Grant were set out in the circular of the Company dated 22 July 2019. Relevant approvals were obtained at an extraordinary general meeting of the Company held on 8 August 2019.
4. Details of the 2020 Connected Grants and 2020 Selected Employees Grant were set out in the circular of the Company dated 23 July 2020. Relevant approvals were obtained at an extraordinary general meeting of the Company held on 7 August 2020. As at 31 December 2021, 780,000 shares of the 2020 Connected Grant and 560,000 shares of 2020 Selected Employees Grant had vested and subsequently been issued to relevant employees respectively in January 2022.
5. Details of the 2021 Connected Grants and 2021 Selected Employees Grant were set out in the circular of the Company dated 22 July 2021. Relevant approvals were obtained at an extraordinary general meeting of the Company held on 6 August 2021. As at 31 December 2021, 360,000 shares of the 2021 Connected Grant and 900,000 shares of the 2021 Selected Employees Grant had vested and subsequently been issued to relevant employees respectively in January 2022.

On 4 January 2022, the Board had resolved to award conditionally an aggregate of 300,000 new shares of the Company (the “**Awarded Shares**”) to three grantees (the “**Selected Employees**”). The Selected Employees are employees of the Group (the “**2022 Selected Employees Grant**”) and are independent third parties of the Group.

The 2022 Selected Employees Grant will be issued under a specific mandate for the awarded shares (“**Selected Employees Specific Mandate**”) and are conditional upon (i) the signing of the deeds of grant by the grantees; (ii) the Company having obtained from the Stock Exchange a grant of the listing of, and permission to deal in, the Awarded Shares; (iii) the passing of an ordinary resolution by the shareholders at the extraordinary general meeting to approve the Selected Employees Specific Mandate; and (iv) the relevant Selected Employees having obtained all necessary consents and approvals that may be required to enable him/her to accept the share awards. The extraordinary general meeting of the Company is expected to be convened immediately after the conclusion or the adjournment of the annual general meeting of the Company to be held in August 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group focuses on corporate finance and other consultancy services and proprietary investments. In respect of corporate finance and other consultancy services, the Group primarily offers sponsorship, financial advisory, compliance advisory, equity capital market consulting, special situations consulting and investment consulting services to its clients. For proprietary investments, the Group invests in real estate in Japan and Hong Kong and derives rental income therefrom, as well as in securities to derive dividend income therefrom and aims for capital gain.

Business Review

For 3Q FY2022, the Group recorded an unaudited revenue of approximately HK\$14.8 million, representing a decrease of approximately 12.9% as compared to 3Q FY2021. Proprietary investments activities contributed approximately 60.6% of the revenue of the Group during 3Q FY2022, while the remaining portion of revenue was derived from corporate finance and other consultancy services.

Corporate finance and other consultancy services

Revenue from corporate finance and other consultancy services for 3Q FY2022 was lower by approximately 15.4% as compared to 3Q FY2021, affected by continued decline in revenue from sponsorship services and compliance advisory services. Meanwhile, revenue from financial advisory services continued to improve, partially offsetting the lower revenue of other segments above.

The Directors wish to note that corporate finance service income is recognised when the underlying services have been provided and/or relevant significant acts have been completed in accordance with the terms of the service agreement; hence there may be fluctuations in the revenue from period to period depending on billing milestones achieved during that period.

Proprietary investments

During 3Q FY2022, the property investment portfolio of the Group consisted of 26 buildings in Japan and one commercial unit in Hong Kong (“**Property(ies)**”) (3Q FY2021: 26 buildings in Japan and one commercial unit in Hong Kong). The Property in Hong Kong was fully occupied during 3Q FY2022, while the occupancy rate for the property portfolio in Japan slightly deteriorated to approximately 90.9% (3Q FY2021: 93.6%). The persistent pandemic situation continued to affect workers in hospitality industries, affecting lease demands for certain of the properties of the Group catering to such tenants.

Coupled with the effects of a weaker JPY, revenue from proprietary investments decreased by approximately 11.3% in 3Q FY2022 to approximately HK\$9.0 million (3Q FY2021: approximately HK\$10.1 million).

Net profit for the period

The administrative and operating expenses of the Group during 3Q FY2022 and YTD Dec 2021 were at similar levels compared to their previous corresponding periods. Finance costs were slightly lower due mainly to lower interest rates for HK\$ loan and lower interest expense of JPY loans in HK\$ terms due to weakness of JPY.

The Group recorded an underlying net profit of approximately HK\$2.5 million in 3Q FY2022 compared with an underlying net profit of approximately HK\$3.7 million in 3Q FY2021. The underlying net profit excludes the effect of fair value changes of investment properties and related deferred taxation charged. The Group recorded a reported net profit of approximately HK\$2.5 million in 3Q FY2022 as compared with a reported net profit of approximately HK\$1.7 million in 3Q FY2021.

The lower underlying net profit in 3Q FY2022 compared with 3Q FY2021 was mainly due to (i) the lower revenue explained above; and (ii) the absence of the government subsidies from Employment Support Scheme granted in the previous corresponding period.

The Group has recorded an increase in reported net profit in 3Q FY2022 compared with 3Q FY2021 due to the absence of net decrease in the fair value of investment properties of approximately HK\$2.3 million which was previously recorded in 3Q FY2021. There was no such fair value change in 3Q FY2022.

OUTLOOK AND STRATEGY

Advisory and consulting

The Group has been focusing its efforts on developing a wider suit of equity capital market and advisory services, which resulted in improvements of the financial advisory services revenue of the Group over the past quarters. The Directors expect such trend to continue in the coming quarter.

Proprietary investments

Hong Kong

The Directors observed that the leasing market for offices in core Central has stabilised and there has been more leasing activities. With the existing lease of the office unit of the Group in Central expiring in July 2022, the Group is in negotiations with the tenant on lease renewal.

Japan

As the typical leasing season approaches in the next two months, the Directors are hopeful that occupancy rates of the property portfolio of the Group will improve. That said, if the value of JPY continues to be weak relative to HK\$, it will negatively affect the revenue and profit of the Group in HK\$ terms.

Overall, the Directors expect the income of the Group from proprietary investments portfolio to remain stable in the coming quarter.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2021, interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) held by the Directors and chief executives of the Company which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules are as follows:

Interest or short positions in the shares of the Company:

Name of Director	Capacity and nature of interests	Number of shares interested <i>(Note 2)</i>	Approximate percentage of the total issued share capital of the Company <i>(%)</i>
Mr. Ip <i>(Note 1)</i>	Beneficiary of a trust	557,200,000 (L)	69.35
	Beneficial owner	1,250,000 (L)	0.16
	Interest of a spouse	1,250,000 (L)	0.16
Mr. Chang Sean Pey (“Mr. Chang”)	Beneficial owner	22,400,000 (L)	2.79
Ms. Leung Churk Yin Jeanny (“Ms. Leung”)	Beneficial owner	9,400,000 (L)	1.17

Notes:

- (1) KHHL is deemed to be interested in 557,200,000 shares of the Company in long position through its wholly-owned subsidiary Flying Castle Limited. KHHL is owned as to 20.0% by Ms. Chan and as to 80.0% by the Trustee on behalf of The Hecico 1985 Trust, of which Ms. Chan is the founder and Mr. Ip and Ms. Ip are beneficiaries. By virtue of the SFO, the Trustee, Ms. Chan, Mr. Ip and Ms. Ip are deemed to be interested in all the shares of the Company held by KHHL. Mr. Ip, the spouse of Ms. Ho Shuk Yee Samantha (“Ms. Ho”), is deemed to be interested in 1,250,000 shares of the Company held by Ms. Ho by virtue of SFO.
- (2) The letter “L” denotes a long position in the shares of the Company.

Interests in associated corporations of the Company:

Name	Name of associated corporation	Capacity and nature of interest	Number of shares interested (Note 1)	Approximate percentage of shareholding (%)
Mr. Ip	KHHL (Note 2) I Corporation (Note 3)	Beneficiary of a trust	204 (L)	80.0
		Interest of spouse	14 (L)	20.0
Ms. Leung	Residence	Beneficial owner	20 (L)	0.33
Mr. Chang	Residence	Beneficial owner	10 (L)	0.17

Notes:

- (1) The letter “L” denotes a long position in the shares of these associated corporations of the Company.
- (2) KHHL is deemed to be interested in the Company in long position through its wholly-owned subsidiary, Flying Castle Limited. KHHL is owned as to 20.0% by Ms. Chan and as to 80.0% by the Trustee on behalf of The Hecico 1985 Trust, of which Mr. Ip is one of the beneficiaries. By virtue of the SFO, Mr. Ip is deemed to be interested in the shares of KHHL held by the Trustee.
- (3) Pursuant to the SFO, Mr. Ip, the spouse of Ms. Ho, is deemed to be interested in the shares of I Corporation held by Ms. Ho.

Save as disclosed above, as at 31 December 2021, none of the Directors and chief executives of the Company and/or any of their respective associates had any interest and short position in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the GEM Listing Rules.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the sections headed “Directors’ and chief executives’ interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations” above and “Share Option Scheme” below, at no time during YTD Dec 2021 was the Company, or any of its subsidiaries or associated corporations, a party to any arrangement to enable the Directors and chief executives of the Company (including their respective spouse and children under 18 years of age) to acquire benefits by means of the acquisition of the shares or underlying shares in, or debentures of, the Company or any of its associated corporations.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY AND PERSONS' INTERESTS IN OTHER MEMBERS OF THE GROUP

As at 31 December 2021, substantial shareholders (not being the Directors or chief executives of the Company) had interested or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO; and other persons had interests in other members of the Group as follows:

(a) Interests or short positions in the shares of the Company

Name of shareholder	Capacity and nature of interest	Number of shares interested ^(Note 1)	Approximate percentage of the total issued share capital of the Company (%)
Flying Castle Limited <i>(Note 2)</i>	Beneficial owner	557,200,000 (L)	69.35
KHHL <i>(Note 2)</i>	Interest in a controlled corporation	557,200,000 (L)	69.35
The Trustee	Trustee	557,200,000 (L)	69.35
Ms. Chan <i>(Note 2)</i>	Founder of a discretionary trust	557,200,000 (L)	69.35
	Beneficial owner	1,250,000 (L)	0.16
Mr. Ip <i>(Note 2)</i>	Beneficiary of a trust	557,200,000 (L)	69.35
	Beneficial owner	1,250,000 (L)	0.16
	Interest of spouse	1,250,000 (L)	0.16
Ms. Ip <i>(Note 2)</i>	Beneficiary of a trust	557,200,000 (L)	69.35
	Beneficial owner	1,250,000 (L)	0.16
Ms. Ho <i>(Note 3)</i>	Interest of spouse	558,450,000 (L)	69.50
	Beneficial owner	1,250,000 (L)	0.16
Yuanta Asia Investment Limited	Beneficial owner	44,250,000 (L)	5.51

Notes:

- (1) The letter “L” denotes a long position in the shares of the Company.
- (2) KHHL is deemed to be interested in the Company in long position through its wholly-owned subsidiary, Flying Castle Limited. KHHL is owned as to 20.0% by Ms. Chan and as to 80.0% by the Trustee on behalf of The Hecico 1985 Trust, of which Ms. Chan is the founder and Mr. Ip and Ms. Ip are beneficiaries. By virtue of the SFO, the Trustee, Ms. Chan, Mr. Ip and Ms. Ip are deemed to be interested in all the shares of the Company held by KHHL. By virtue of SFO, Mr. Ip, the spouse of Ms. Ho, is deemed to be interested in 1,250,000 shares of the Company held by Ms. Ho.
- (3) Pursuant to the SFO, Ms. Ho, the spouse of Mr. Ip, is deemed to be interested in all the shares of the Company in which Mr. Ip is deemed to be interested.

(b) Interests or short positions in other members of the Group

Name of shareholder	Name of members of the Group	Capacity and nature of interest	Number of shares interested <i>(Note)</i>	Percentage of shareholding (%)
Ms. Ho	I Corporation	Beneficial owner	14 (L)	20.0
Mr. Henry Shih	Smart Tact	Beneficial owner	922 (L)	10.0
	Residence	Beneficial owner	600 (L)	10.0
	Lynton Gate Limited	Beneficial owner	1 (L)	10.0
	EXE	Beneficial owner	12 (L)	10.0
Mr. Richard Lo	Residence	Interest in controlled corporations	600 (L)	10.0

Note: The letter “L” denotes a long position in the shares of the members of the Group.

Save as disclosed above, the Directors and chief executives of the Company are not aware that there is any party who, as at 31 December 2021, had or was deemed to have, an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on public information available to the Company and to the best knowledge of the Directors as at the date of this report, the Company has maintained the public float as required under GEM Listing Rules during YTD Dec 2021.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SHARES OF THE COMPANY

During YTD Dec 2021, the Company repurchased 500,000 ordinary shares on GEM of the Stock Exchange at an aggregate consideration of approximately HK\$0.1 million. The Directors are of the view that the share repurchase would be beneficial to the Company and its shareholders. Details of the share repurchase are as follows:

Month	Number of ordinary shares	Highest price paid per share HK\$	Lowest price paid per share HK\$	Approximate aggregate consideration HK\$'000
November 2021	500,000	0.202	0.2	101

All 500,000 ordinary shares repurchased had been cancelled as at 31 December 2021. The aggregate consideration of approximately HK\$0.1 million was paid out from the reserves of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed shares of the Company during YTD Dec 2021.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2021, the Group had 20 staff (31 December 2020: 23). The remuneration policy of the Group takes into consideration the duties, responsibilities, experiences, skills, time commitment, performance of the Group and are made with reference to those paid by comparable companies. Its employees are remunerated with monthly salaries and discretionary bonuses based on individual performance, market performance, the profit of the Group as a whole and comparable market levels. Apart from salary payment, other staff benefits include share awards, provident fund contributions, medical insurance coverage, other allowances and benefits.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) by a shareholder resolution passed on 26 September 2016. Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for a period of 10 years from the date of its adoption. During YTD Dec 2021 and up to the date of this report, no share option was granted by the Company and there was no share option outstanding under the Share Option Scheme as at 31 December 2021.

SHARE AWARDS

Details of the share awards of the Group are set out in note 11 to the condensed consolidated financial statements of the Group for YTD Dec 2021.

CORPORATE GOVERNANCE

Pursuant to Rules 17.22 and 17.24 of the GEM Listing Rules, the Company has complied with and does not have advances to any entity nor advances to affiliated companies. In addition, pursuant to Rule 17.23 of the GEM Listing Rules; the Company stated that (i) the major shareholders of the Company have not pledged any of their shares held; and (ii) an indirect wholly-owned subsidiary of the Company has entered into certain loan agreements with covenants relating to specific performance of the controlling shareholder as described below.

The Board has reviewed the corporate governance practices of the Group and is satisfied that the Group has complied with the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 to the GEM Listing Rule during YTD Dec 2021.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the 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 “Required Standard of Dealings”).

Having made specific enquiries of all the Directors, each of them has confirmed that they have complied with the Required Standard of Dealings during the period in YTD Dec 2021 and to the date of this report. The Company has not been notified by the Directors of any incident of non-compliance during such period.

COMPETING INTERESTS

As at 31 December 2021, none of the Directors, substantial shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) has any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

LOAN AGREEMENTS WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDER

On 2 July 2019, the Group entered into a bank facility letter (the “Dah Sing Facility Letter”) under which Dah Sing Bank Limited agreed to make available to the Company’s indirect wholly owned subsidiary, Starich Resources Limited, a revolving loan facility in the amount of HK\$60,000,000 for investment and working capital purposes. Under the Dah Sing Facility Letter, the Company has undertaken that (i) Mr. Ip shall remain as chairman of the Board and maintain control over the management and business of the Company; and (ii) his beneficial interest in the Company, as required to be disclosed pursuant to the disclosure requirements under the GEM Listing Rules and the SFO, should be maintained at not less than 60.0%.

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 C.3.3 of the CG Code. The Audit Committee currently comprises three independent non-executive Directors and is chaired by Mr. Chan Sun Kwong. The other members are Mr. Chao Tien Yo and Mr. Lee Shu Yin respectively. The primary duty of the Audit Committee is to review and supervise the financial reporting process, the risk management and internal control systems of the Group and the monitoring of continuing connected transactions. Pursuant to code provision C.3.3 of the CG Code, the Audit Committee has reviewed the unaudited consolidated results of the Group for YTD Dec 2021 and confirmed that the preparation of such complied with applicable accounting principles and practices adopted by the Company and the requirements of the Stock Exchange, and adequate disclosure had been made.

BOARD OF DIRECTORS

As at the date of this report, the Directors are:

Executive Directors:

Mr. Arnold Ip Tin Chee

Mr. Chang Sean Pey

Ms. Leung Churk Yin Jeanny

Independent Non-executive Directors:

Mr. Chao Tien Yo

Mr. Chan Sun Kwong

Mr. Lee Shu Yin

By order of the Board of
ALTUS HOLDINGS LIMITED
Arnold Ip Tin Chee
Chairman and Executive Director

Hong Kong, 8 February 2022

This report will remain on the website of GEM of the Stock Exchange at www.hkgem.com for at least 7 days from the date of its publication. This report will also be published and remained on website of the Company at <http://www.altus.com.hk>.