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**CASH FINANCIAL
SERVICES GROUP
LIMITED (“CFSG”)**

**時富金融服務集團
有限公司***

*(incorporated in Bermuda with
limited liability)
(Stock code: 510)*



**CELESTIAL ASIA
SECURITIES HOLDINGS
LIMITED (“CASH”)**

時富投資集團有限公司*

*(incorporated in Bermuda with
limited liability)
(Stock code: 1049)*

**CELESTIAL
INVESTMENT
GROUP
LIMITED**

*(incorporated in the
British Virgin Islands
with limited liability)*

JOINT ANNOUNCEMENT

(1) EXEMPT CONNECTED TRANSACTION AND POSSIBLE VERY SUBSTANTIAL ACQUISITION FOR CASH IN RELATION TO THE ACQUISITIONS

(2) POSSIBLE CONDITIONAL MANDATORY CASH OFFERS BY EDDID CAPITAL ON BEHALF OF CIGL (A WHOLLY-OWNED SUBSIDIARY OF CASH) TO ACQUIRE ALL OF THE ISSUED SHARES IN THE CAPITAL OF CFSG (OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE ACQUIRED BY CIGL AND PARTIES ACTING IN CONCERT WITH IT) AND FOR THE CANCELLATION OF ALL THE OUTSTANDING CFSG OPTIONS (EXCEPT THE CFSG SPA OPTIONS)

Financial adviser to the Offeror



Eddid Capital Limited

THE UNDERTAKINGS AND AGREEMENTS

On 31 December 2020 after trading hours, the Vendors and the Offeror (a wholly-owned subsidiary of CASH) entered into the Undertakings and Agreements pursuant to which the Vendors have conditionally undertaken to exercise the CFSG SPA Options in full and have conditionally agreed to sell and the Offeror has conditionally agreed to purchase the Sale Shares, representing approximately 4.59% of the issued share capital of CFSG as at the date of this joint announcement and approximately 4.39% of the enlarged issued share capital of CFSG as at the S&P Completion (assuming that there will be no change in the issued share capital of CFSG from the date of this joint announcement up to S&P Completion other than the allotment and issue of the Sale Shares), for a total cash consideration of HK\$8,352,000 (being HK\$0.75 per CFSG Share). The consideration for the Sale Shares will be financed by internal resources of the Offeror.

The S&P Completion is conditional upon the fulfillment of the S&P Condition described in the section headed “The Undertakings and Agreements” in this joint announcement.

EXEMPT CONNECTED TRANSACTION AND POSSIBLE VERY SUBSTANTIAL ACQUISITION FOR CASH

Exempt Connected Transaction for CASH

Among the 11,136,000 CFSG SPA Options, a total of 2,472,000 CFSG SPA Options are held by Mr Ng Hin Sing Derek, a Connected Person of CASH. In addition, Dr Kwan, Mr Leung Siu Pong James, Mr Li Shing Wai Lewis and Mr Kwan Teng Hin Jeffrey, the Connected Persons of CASH, hold an aggregate of 9,888,000 CFSG 2020 Options as at the date of this joint announcement. If the Offers are made, they may tender the CFSG 2020 Options held by them for cancellation or exercise of the CFSG 2020 Options and tender the CFSG Shares falling to be issued upon exercise for acceptance of the Share Offer. The Exempt Connected Transaction, being the acquisition of 2,472,000 Sale Shares from Mr Ng Hin Sing Derek pursuant to the Undertaking and Agreement entered into by him and the possible cancellation of the 9,888,000 CFSG 2020 Options held by the Connected Persons of CASH or the possible acquisition of 9,888,000 CFSG Shares falling to be issued upon exercise of such 9,888,000 CFSG 2020 Options from the Connected Persons of CASH at a total maximum consideration of HK\$9,270,000, constitutes a connected transaction for CASH under Chapter 14A of the Listing Rules. As the highest of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Exempt Connected Transaction is more than 5% but less than 25% and the total consideration is less than HK\$10,000,000, the Exempt Connected Transaction is exempt from the circular (including independent financial advice) and shareholders’ approval requirements but is subject to the reporting and announcement requirements under the Chapter 14A of the Listing Rules.

Possible Very Substantial Acquisition for CASH

The maximum aggregate value of the Offers and the Acquisitions is HK\$134,985,000, being the total cash consideration of HK\$8,352,000 under the Acquisition and the maximum cash required for the Possible Acquisition under the Offers of HK\$126,633,000, details of which are set out under the heading “Total consideration for the Offers” under the section headed “Possible Conditional Mandatory Cash Offers” in this joint announcement.

As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisitions, being the Acquisition in aggregate with the Possible Acquisition under the Offers (to be set out below), exceeds 100%, the Acquisitions constitute a very substantial acquisition for CASH and is subject to the announcement, circular and shareholders’ approval requirements under Chapter 14 of the Listing Rules.

POSSIBLE CONDITIONAL MANDATORY CASH OFFERS FOR CFSG

As at the date of this joint announcement, the Offeror and parties acting in concert with it own a total of 86,140,854 CFSG Shares, representing approximately 35.50% of the issued share capital of CFSG. Subject to fulfillment of the S&P Condition and immediately following the S&P Completion (assuming that there will be no change in the issued share capital of CFSG from the date of this joint announcement up to S&P Completion other than the allotment and issue of the Sale Shares), the Offeror and parties acting in concert with it will own a total of 97,276,854 CFSG Shares, representing approximately 38.33% of the enlarged issued share capital of CFSG. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror will then be required to make the Share Offer for all the issued CFSG Shares (other than those CFSG Shares already owned by or agreed to be acquired by the Offeror and parties acting in concert with it at the time the Share Offer is made). The Offeror will also be required to make the Option Offer for the cancellation of all outstanding CFSG Options (other than the CFSG SPA Options) pursuant to Rule 13 of the Takeovers Code.

Subject to and upon S&P Completion, the Share Offer will be conditional upon the Offeror having received (and, where permitted, such acceptances not having been withdrawn), at or before 4:00 pm on the First Closing Date (or such other time as the Offeror may, subject to the Takeovers Code, decide), valid acceptances in respect of the CFSG Shares which, together with the CFSG Shares acquired or agreed to be acquired before or during the Share Offer, will result in the Offeror and any person acting in concert with it holding more than 50% of the voting rights of CFSG. The Option Offer will be subject to and conditional upon the Share Offer becoming or being declared unconditional in all respects.

The Share Offer

Subject to and upon S&P Completion, the Share Offer will be made on the following basis:

HK\$0.75 in cash for each CFSG Share accepted under the Share Offer

Under the terms of the Share Offer, assuming the Share Offer becomes or is declared unconditional, the Offer Shares will be acquired fully paid and free from all Encumbrances, together with all rights attached thereto on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document, including the right to receive in full all dividends and other distributions, if any, declared, made or paid, the record date of which falls on or after the date of despatch of the Composite Document.

The Option Offer

For the outstanding 15,564,000 CFSG Options (except the CFSG 2020 Options)

HK\$0.0001 in cash

For cancellation of each such CFSG Option

For the outstanding 12,360,000 CFSG 2020 Options (except the CFSG SPA Options)

HK\$0.27 in cash

For cancellation of each such CFSG 2020 Option

As at the date of this joint announcement, there are 39,060,000 outstanding CFSG Options granted under the CFSG Share Option Scheme, being (a) 15,564,000 CFSG Options, out of which:- (i) 12,774,000 CFSG 2019 March Options are exercisable at the exercise price of HK\$1.42 each; (ii) 2,790,000 CFSG 2019 June Options are exercisable at the exercise price of HK\$1.04 each; and (b) 23,496,000 CFSG 2020 Options exercisable at HK\$0.48 each (including the 11,136,000 CFSG SPA Options). Pursuant to Rule 13 of the Takeovers Code, the Offeror will make an appropriate cash offer to the CFSG Optionholders to cancel the CFSG Options (except the CFSG SPA Options which will be exercised in full before the Offers pursuant to the Undertakings and Agreements).

As the CFSG 2019 March Options and the CFSG 2019 June Options have an exercise price of HK\$1.42 and HK\$1.04 per CFSG Share respectively, which are above the Share Offer Price so that all such CFSG Options are out-of-the-money, the Option Offer Price for the cancellation of each such CFSG Option will be a nominal cash amount of HK\$0.0001 (whether such CFSG Options are exercisable or not).

As the CFSG 2020 Options have an exercise price of HK\$0.48 per CFSG Share, which is less than the Share Offer Price, the Option Offer Price for the cancellation of each such CFSG 2020 Options (other than CFSG SPA Options) will be a cash amount equal to the “see-through” price of HK\$0.27 (being the Share Offer Price of HK\$0.75 minus the exercise price of such CFSG 2020 Options of HK\$0.48) (whether such CFSG 2020 Options are exercisable or not). As the CFSG SPA Options will all be exercised on or before the S&P Completion pursuant to the Undertakings and Agreements, the Option Offer will not be extended to the CFSG SPA Options. In the event that some of the CFSG SPA Options are not exercised on or before the S&P Completion pursuant to the Undertakings and Agreements, the Option Offer will be extended to such CFSG SPA Options and the Share Offer will be extended to any CFSG Shares falling to be issued upon exercise of the CFSG SPA Options.

Save for the CFSG Options, as at the date of this joint announcement, there are no outstanding convertible securities, warrants, options or derivatives issued by CFSG which may confer any rights to the holder(s) thereof to subscribe for, convert or exchange into CFSG Shares.

CONFIRMATION OF FINANCIAL RESOURCES

Eddid Capital has been appointed as the financial adviser to the Offeror in respect of the Offers. Eddid Capital is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration for the Sale Shares under the Undertakings and Agreements and full acceptance of the Offers as described above.

ESTABLISHMENT OF CFSG INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF CFSG INDEPENDENT FINANCIAL ADVISER

CFSG will establish the CFSG Independent Board Committee, comprising all the independent non-executive CFSG Directors, namely Mr Cheng Shu Shing Raymond, Mr Lo Kwok Hung John and Mr Lo Ming Chi Charles, to consider and advise the Offer Shareholders and the CFSG Optionholders in relation to the terms and conditions of the Offers, in particular as to whether the Offers are fair and reasonable and as to acceptance of the Offers.

The CFSG Independent Board Committee will appoint the CFSG Independent Financial Adviser to advise the CFSG Independent Board Committee in relation to the terms and conditions of the Offers, in particular as to whether the Offers are fair and reasonable and as to acceptance of the Offers. Announcement will be made by CFSG upon appointment of the CFSG Independent Financial Adviser in accordance with Rule 2.1 of the Takeovers Code.

CASH SGM AND CASH CIRCULAR

The CASH SGM will be held for the purposes of considering and, if thought fit, approving the resolutions in respect of the Acquisitions and the Offers by the CASH Shareholders by way of poll. As Dr Kwan (together with Cash Guardian (being a 100%-controlled corporation of Dr Kwan)) and Mr Leung Siu Pong James (being holders of CFSG 2020 Options and it is possible that they may tender the CFSG 2020 Options held by them for cancellation in the Option Offer or exercise their CFSG 2020 Options in part or in full and tender their CFSG Shares falling to be issued upon exercise of their CFSG

2020 Options for acceptance of the Share Offer) and Mr Law Ping Wah Bernard (being one of the Vendors), holding an aggregate of 42,736,407 CASH Shares (representing approximately 52.94% of the issued share capital of CASH as at the date of this joint announcement), are regarded as having material interests in the Acquisitions, each of Dr Kwan, Cash Guardian, Mr Leung Siu Pong James and Mr Law Ping Wah Bernard shall therefore abstain from voting in respect of the resolutions to be proposed at the CASH SGM.

The CASH Circular containing, among other things, (i) further details of the Acquisitions; (ii) financial information relating to the CASH Group and the CFSG Group; and (iii) a notice convening the CASH SGM, will be sent to the CASH Shareholders in accordance with the Listing Rules. As additional time is required to prepare the information to be included in the CASH Circular including, among other things, financial information for the year ending 31 December 2020, it is currently expected that the CASH Circular will be sent to the CASH Shareholders on or before 30 April 2021 which is more than 15 Business Days after publication of this joint announcement.

DESPATCH OF COMPOSITE DOCUMENT

It is the intention of the respective board of directors of the Offeror and CFSG to combine the offer document and the offeree board circular into a composite offer document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, the terms of the Offers (including the expected timetable), the letter from the CFSG Independent Board Committee in relation to the Offers, the letter of advice from the CFSG Independent Financial Adviser to the CFSG Independent Board Committee in respect of the Offers, and a form of acceptance and transfer of the CFSG Shares and cancellation of the CFSG Options is required to be despatched to the CFSG Shareholders and the CFSG Optionholders within 21 days of the date of this joint announcement (or such later date as the Executive may approve). However, as the making of the Offers will be subject to S&P Completion having taken place and additional time is required for the preparation of CASH Circular for the CASH Shareholders to consider and (if appropriate) approve the Acquisitions and Offers at the CASH SGM, an application will be made to the Executive for consent under Note 2 to Rule 8.2 of the Takeovers Code for an extension of time for despatching the Composite Document to any time within seven (7) days after S&P Completion or 19 October 2021, whichever is earlier. Further announcement will be made in this regard as and when appropriate.

WARNING

The CFSG Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement, and strongly recommend the Offer Shareholders and the CFSG Optionholders not to form a view on the Offers unless and until they have received and read the Composite Document, including the recommendation of the CFSG Independent Board Committee in respect of the Offers and the letter of advice from the CFSG Independent Financial Adviser.

The Offers will only be made if S&P Completion takes place. S&P Completion is conditional upon the fulfillment of the S&P Condition described under the paragraph headed “The S&P Condition” in the section headed “The Undertakings and Agreements” in this joint announcement. Accordingly, the Offers may or may not be made. Shareholders, optionholders and potential investors of CFSG and CASH are advised to exercise caution in dealing in the relevant securities of CFSG and/or CASH. If any shareholders, optionholders or potential investors of CFSG and/or CASH are in any doubt about their position, they should consult their own professional advisers.

INTRODUCTION

On 31 December 2020 after trading hours, the Vendors and the Offeror entered into the Undertakings and Agreements pursuant to which the Vendors have conditionally undertaken to exercise the CFSG SPA Options in full and have conditionally agreed to sell and the Offeror has conditionally agreed to purchase an aggregate of the Sale Shares, representing approximately 4.59% of the existing issued share capital of CFSG as at the date of this joint announcement and approximately 4.39% of the enlarged issued share capital of CFSG as at S&P Completion (assuming that there will be no change in the issued share capital of CFSG from the date of this joint announcement up to S&P Completion other than the allotment and issue of the Sale Shares), for a total cash consideration of HK\$8,352,000 (being HK\$0.75 per CFSG Share).

THE UNDERTAKINGS AND AGREEMENTS

Date

All dated 31 December 2020

Parties

Purchaser: CIGL, a wholly-owned subsidiary of the CASH.

Vendors: Mr Ng Hin Sing Derek ^(Notes 1 and 3) (executive director of CFSG and former executive director of CASH), Mr Cheung Wai Ching Anthony ^(Notes 1 and 4), Mr Ho Tsz Cheung Jack ^(Notes 1 and 4) (directors of subsidiaries of CFSG Group), Mr Law Ping Wah Bernard ^(Notes 1 and 4) and Mr Lau Chi Wo ^(Note 2) (CFSG Optionholders).

Notes:

- (1) Each of them holds 2,472,000 CFSG Options as at the date of this joint announcement.*
- (2) Mr Lau Chi Wo holds 1,248,000 CFSG Options as at the date of this joint announcement. He is a senior financial manager of CFSG and CASH.*
- (3) Mr Ng Hin Sing Derek is a former CASH Director (in the preceding 12 months from the date of this joint announcement), being the connected person of CASH (as defined under the Listing Rules).*
- (4) Mr Cheung Wai Ching Anthony and Mr Ho Tsz Cheung Jack are former CFSG Directors and are not CASH Directors. Mr Law Ping Wah Bernard is a consultant of CFSG and former executive directors of CASH and CFSG. He has ceased as executive directors of CASH and CFSG for more than 12 months preceding the date of this joint announcement. They are third parties independent of CASH and its connected persons (as defined under the Listing Rules).*
- (5) Each of the Vendors listed above is neither presumed nor de facto concert party of the Offeror.*

Sale and purchase of the Sale Shares

Subject to fulfillment of the S&P Condition, the Vendors holding an aggregate of 11,136,000 CFSG SPA Options have irrevocably undertaken to, inter alia, exercise the CFSG SPA Options in full on or before the S&P Completion and have agreed to sell and the Offeror has agreed to acquire at the S&P Completion an aggregate of 11,136,000 CFSG Shares, representing approximately 4.59% of the existing issued share capital of CFSG as at the date of this joint announcement and approximately 4.39% of the enlarged issued share capital of CFSG as at S&P Completion (assuming that there will be no change in the issued share capital of CFSG from the date of this joint announcement up to S&P Completion other than the allotment and issue of the Sale Shares), free from any Encumbrances and together with all rights and benefits attached to them as at S&P Completion or subsequently becoming attached to them, including all rights to any dividend or other distribution declared, made or paid, the record date of which falls on or after the S&P Completion Date.

Each of the Undertakings and Agreements was entered into by a Vendor and the Offeror separately and each of the Undertakings and Agreements has substantially the same terms and was executed on the same date. The Undertakings and Agreements with each of the Vendors are not inter-conditional upon each other. In case the S&P Completion does not take place for some of the Vendors under the relevant Undertakings and Agreements, the Offeror will proceed with the S&P Completion with the remaining Vendors. In the event that the S&P Completion does not result in the increase of shareholding of the Offeror and parties acting in concert with it in CFSG by more than 2% from the lowest percentage holding of the Offeror and parties acting in concert with it in the 12 month period ending on and inclusive of the date of the S&P Completion, the Offers will not be made.

Consideration for the Sale Shares

The total consideration for the sale and purchase of the Sale Shares under the Acquisition shall be HK\$8,352,000 (representing HK\$0.75 per Sale Share and the price per CFSG Share is the same for each of the Vendors), which shall be paid by the Offeror in cash to the Vendors at S&P Completion. The consideration for the Sale Shares will be financed by internal resources of the Offeror.

The consideration was determined following arm's length negotiations between the Vendors and the Offeror after taking into account factors including but not limited to (i) the unaudited consolidated net asset value of the CFSG Group as at 30 June 2020; (ii) the trading prices per CFSG Share on the Stock Exchange which ranged between HK\$0.395 and HK\$0.98 during the six-month period immediately preceding the date of this joint announcement; (iii) the prevailing market price of the CFSG Shares; and (iv) the business prospects and development potential of the CFSG Group as set out in the section headed "Reasons for the Acquisitions for CASH" below.

The total maximum consideration for the Exempt Connected Transaction is HK\$9,270,000. The original acquisition cost of the Sale Shares to the Connected Persons of CASH is the same as the aggregate amount to be paid by them for exercising the CFSG 2020 Options. Based on a total of 12,360,000 CFSG 2020 Options (including the 2,472,000 CFSG SPA Options) held by the Connected Persons of CASH and the exercise price of HK\$0.48 per CFSG Shares, the total amount to be paid by the Connected Persons of CASH for exercising their CFSG SPA Options will be HK\$5,932,800.

The S&P Condition

The S&P Completion is conditional upon CASH having obtained approvals from its shareholders/independent shareholders at the CASH SGM for approving the Acquisition and the making of the Offers on or before the Long Stop Date (or such later date as the Vendors and the Offeror may agree in writing).

The Parties may not waive the above S&P Condition.

If the S&P Condition has not been fulfilled by the Long Stop Date, the Undertakings and Agreements shall cease to have any effect and the Parties shall not have any obligations and liabilities thereunder save for any antecedent breaches of the terms thereof.

The S&P Completion

It is expected that the S&P Completion shall take place on the same date as the date of allotment and issue of the Sale Shares upon exercise of CFSG SPA Options by the Vendors, which shall be the seventh (7th) Business Day following the day on which the S&P Condition has been fulfilled (or such other date as the Parties may agree in writing).

REASONS FOR THE ACQUISITIONS FOR CASH

CFSG has been transformed into a full-fledged financial services company with fully-digitalized trading platform for its brokerage specializing in wealth management and investment products in Hong Kong and Mainland China. CFSG has also established strong presence in the Greater Bay Area for its wealth management business in recent years. In view of the severe competition in Hong Kong's brokerage market, CFSG has implemented business transformation to adopt various technological enhancements and to implement a digitalization programme to build its competitive advantages and to increase operational efficiency along with the cost effective strategy during this difficult period.

Leveraging on CFSG's solid business foundation in the financial services industry, its financial services and information technology capabilities, advanced and digitalized trading platform and professional talents and a cost effective structure after its business transformation, it is expected that there are tremendous growth potential for brokerage and wealth management businesses of CFSG on the back of economic recovery. The economic activities and stock market are expected to rebound when the pandemic becomes under control upon successful mass production of the COVID-19 vaccines. The CASH Board considers that the Acquisitions and the Offers offer an opportunity for CASH to increase its shareholding interest in CFSG at a reasonable price.

As the external environment is still volatile with uncertainties subject to the COVID-19 pandemic and the local economic environment is still challenging with growing unemployment rate, the Possible Acquisition under the Offers can provide all CFSG Shareholders with an opportunity to realize their share investments in CFSG at a premium over the market share price in recent years.

The purchase price of the Sale Shares was arrived at after arm's length negotiations between the Vendors and the Offeror. Although the purchase price represents a premium of around 50% over the recent market price of CFSG Shares over the preceding 3 months, it also represents a substantial discount of over 60% to the net asset value of CFSG per Share and a 23% discount to the highest traded price of HK\$0.98 per CFSG Share in the six-month period immediately preceding the date of this joint announcement. In addition, taking into account the business prospects of CFSG as highlighted above, the CASH Board (including the independent non-executive directors of CASH) considers that the purchase price is fair and reasonable and on normal commercial terms.

The Share Offer Price of HK\$0.75 per CFSG Share under the Share Offer is the same as the price per Sale Share of HK\$0.75 under the Undertakings and Agreements. The Option Offer Price of HK\$0.27 was based on the difference between the exercise price and the Share Offer Price for those CFSG Options which are in-the-money.

Based on the above, the CASH Board (including the independent non-executive directors of CASH) is of the opinion that the terms of the Undertakings and Agreements, the Offers and the respective transactions contemplated thereunder including the consideration for the Sale Shares, the Share Offer Price and the Option Offer Price are normal commercial terms and that the Acquisitions are fair and reasonable and in the interests of CASH and the CASH Shareholders as a whole.

LISTING RULES IMPLICATIONS FOR CASH

Exempt Connected Transaction for CASH

Among the 11,136,000 CFSG SPA Options, a total of 2,472,000 CFSG SPA Options are held by Mr Ng Hin Sing Derek, a Connected Person of CASH. In addition, Dr Kwan, Mr Leung Siu Pong James, Mr Li Shing Wai Lewis and Mr Kwan Teng Hin Jeffrey, the Connected Persons of CASH, hold an aggregate of 9,888,000 CFSG 2020 Options as at the date of this joint announcement. If the Offers are made, they may tender the CFSG 2020 Options held by them for cancellation or exercise the CFSG 2020 Options and tender the CFSG Shares falling to be issued upon exercise for acceptance of the Share Offer. The Exempt Connected Transaction, being the acquisition of 2,472,000 Sale Shares from Mr Ng Hin Sing Derek pursuant to the Undertaking and Agreement entered into by him and the possible cancellation of the 9,888,000 CFSG 2020 Options held by the Connected Persons of CASH or the possible acquisition of 9,888,000 CFSG Shares falling to be issued upon exercise of such 9,888,000 CFSG 2020 Options from the Connected Persons of CASH at a total maximum consideration of HK\$9,270,000, constitutes a connected transaction for CASH under Chapter 14A of the Listing Rules. As the highest of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Exempt Connected Transaction is more than 5% but less than 25% and the total consideration is less than HK\$10,000,000, the Exempt Connected Transaction is exempt from the circular (including independent financial advice) and shareholders' approval requirements but is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

As it is possible that the executive Directors of CASH, namely Dr Kwan, Mr Leung Siu Pong James, Mr Li Shing Wai Lewis and Mr Kwan Teng Hin Jeffrey, being holders of CFSG 2020 Options, may tender the CFSG 2020 Options held by them for cancellation in the Option Offer or exercise their CFSG 2020 Options in part or in full and tender their CFSG Shares falling to be issued upon exercise of their CFSG 2020 Options for acceptance of the Share Offer, each of them is therefore regarded as having a material interest in the Exempt Connected Transaction. Therefore, each of them has abstained from voting on the relevant board resolution(s) in approving the Exempt Connected Transaction.

Possible Very Substantial Acquisition for CASH

The maximum aggregate value of the Offers and the Acquisitions is HK\$134,985,000, being the total cash consideration of HK\$8,352,000 under the Acquisition and the maximum cash required for the Possible Acquisition under the Offers of HK\$126,633,000, details of which are set out under the heading "Total consideration for the Offers" under the section headed "Possible Conditional Mandatory Cash Offers" in this joint announcement.

As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisitions and the Offers, exceeds 100%, the Acquisitions and the Offers constitute a very substantial acquisition for CASH and is subject to the announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

CASH SGM AND CASH CIRCULAR

The CASH SGM will be held for the purposes of considering and, if thought fit, approving the resolutions in respect of the Acquisitions and the Offers by the CASH Shareholders by way of poll.

As Dr Kwan (together with Cash Guardian (being a 100%-controlled corporation of Dr Kwan)) and Mr Leung Siu Pong James (being holders of CFSG 2020 Options and it is possible that they may tender the CFSG 2020 Options held by them for cancellation in the Option Offer or exercise their CFSG 2020 Options in part or in full and tender their CFSG Shares falling to be issued upon exercise of their CFSG 2020 Options for acceptance of the Share Offer) and Mr Law Ping Wah Bernard (being one of the Vendors), holding an aggregate of 42,736,407 CASH Shares (representing approximately 52.94% of the issued share capital of CASH as at the date of this joint announcement), are regarded as having material interests in the Acquisitions, each of Dr Kwan, Cash Guardian, Mr Leung Siu Pong James and Mr Law Ping Wah Bernard shall therefore abstain from voting in respect of the resolutions to be proposed at the CASH SGM.

As at the date of this joint announcement, all the other Vendors and/or CASH Directors other than Dr Kwan, Mr Leung Siu Pong James and Mr Law Ping Wah Bernard (i.e. Mr Li Shing Wai Lewis, Mr Kwan Teng Hin Jeffrey, Mr Ng Hin Sing Derek, Mr Cheung Wai Ching Anthony, Mr Ho Tsz Cheung Jack and Mr Lau Chi Wo) do not hold any CASH Shares and therefore they cannot vote at the CASH SGM.

To the best of the knowledge of the CASH Directors, save as aforementioned, no other CASH Shareholder has a material interest in the transactions contemplated under the Undertakings and Agreements and the Offers and no other CASH Shareholder is required to abstain from voting at the CASH SGM.

The CASH Circular containing, among other things, (i) further details of the Acquisitions; (ii) financial information relating to CASH Group and the CFSG Group; and (iii) a notice convening the CASH SGM, will be sent to the CASH Shareholders in accordance with the Listing Rules. As additional time is required to prepare the information to be included in the CASH Circular including, among other things, financial information for the year ending 31 December 2020, it is currently expected that the CASH Circular will be sent to the CASH Shareholders on or before 30 April 2021 which is more than 15 Business Days after publication of this joint announcement.

INFORMATION ON CIGL AND CASH

Please refer to the section headed “Information on the Offeror” below.

POSSIBLE CONSOLIDATION OF THE CFSG GROUP IN THE FINANCIAL STATEMENTS OF CASH

CFSG is held as to 35.50% by CASH via CIGL and is an associated company of CASH as at the date of this joint announcement.

Immediately after the CFSG SPA Options are fully exercised and following the S&P Completion, CFSG will be held as to 38.33% by CIGL.

If and upon the Offers becoming unconditional, CFSG will be held as to over 50% by CIGL and will become a subsidiary of CASH. The financial results of the CFSG Group will then be consolidated in the financial results of the CASH Group.

POSSIBLE CONDITIONAL MANDATORY CASH OFFERS

As at the date of this joint announcement, the Offeror and parties acting in concert with it own a total of 86,140,854 CFSG Shares, representing approximately 35.50% of the issued share capital of CFSG. Subject to fulfillment of the S&P Condition and immediately following the S&P Completion (assuming that there will be no change in the issued share capital of CFSG from the date of this joint announcement up to the S&P Completion other than the allotment and issue of the Sale Shares), the Offeror and parties acting in concert with it will own a total of 97,276,854 CFSG Shares, representing approximately 38.33% of the enlarged issued share capital of CFSG. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror will then be required to make the Share Offer for all the issued CFSG Shares (other than those CFSG Shares already owned by or agreed to be acquired by the Offeror and parties acting in concert with it at the time the Share Offer is made). The Offeror will also be required to make the Option Offer for the cancellation of all outstanding CFSG Options (other than the CFSG SPA Options) pursuant to Rule 13 of the Takeovers Code.

Subject to the S&P Completion having taken place, the Offeror may purchase CFSG Shares on market at a price not higher than the Share Offer Price. In the event that any such purchase is made, an announcement will be made in accordance with the Takeovers Code and the Listing Rules as and when appropriate.

Eddid Capital has been appointed as the financial adviser to the Offeror in respect of the Offers. If the Offers are made, Eddid Capital will, for and on behalf of the Offeror, make the Offers on the following terms in accordance with Rule 26.1 and Rule 13 of the Takeovers Code.

The Share Offer

Subject to and upon S&P Completion, the Share Offer will be made on the following basis:

HK\$0.75 in cash **For each CFSG Share accepted under the Share Offer**

The Share Offer Price will be equal to the price per Sale Share paid by the Offeror under the Undertakings and Agreements. The Share Offer Price also represents the highest price paid by the Offeror and parties acting in concert with it for CFSG Shares in the preceding 6 months from the date of this joint announcement.

The Option Offer

For the outstanding 15,564,000 CFSG Options (except the CFSG 2020 Options)
HK\$0.0001 in cash **For cancellation of each such CFSG Option**

For the outstanding 12,360,000 CFSG 2020 Options (except the CFSG SPA Options)
HK\$0.27 in cash **For cancellation of each such CFSG 2020 Option**

As at the date of this joint announcement, there are 39,060,000 outstanding CFSG Options granted under the CFSG Share Option Scheme, being (a) 15,564,000 CFSG Options, out of which:- (i) 12,774,000 CFSG 2019 March Options are exercisable at the exercise price of HK\$1.42 each; (ii) 2,790,000 CFSG 2019 June Options are exercisable at the exercise price of HK\$1.04 each; and (b) 23,496,000 CFSG 2020 Options are exercisable at HK\$0.48 each (including 11,136,000 CFSG SPA Options), each relating to one CFSG Share. Pursuant to Rule 13 of the Takeovers Code, the Offeror will make an appropriate cash offer to the CFSG Optionholders to cancel the CFSG Options (except the CFSG SPA Options, which will be exercised in full before the Offers pursuant to the Undertakings and Agreements).

As the CFSG 2019 March Options and the CFSG 2019 June Options have an exercise price of HK\$1.42 and HK\$1.04 per CFSG Share respectively, which are above the Share Offer Price so that all such CFSG Options are out-of-the-money, the Option Offer Price for the cancellation of each such CFSG Option will be a nominal cash amount of HK\$0.0001 (whether such CFSG Options are exercisable or not).

As the CFSG 2020 Options have an exercise price of HK\$0.48 per CFSG Share, which is less than the Share Offer Price, the Option Offer Price for the cancellation of each such CFSG 2020 Option (other than the CFSG SPA Options) will be a cash amount equal to the “see-through” price of HK\$0.27 (being the Share Offer Price of HK\$0.75 minus the exercise price of such CFSG 2020 Options of HK\$0.48) (whether such CFSG 2020 Options are exercisable or not). As the CFSG SPA Options will all be exercised on or before the S&P Completion pursuant to the Undertakings and Agreements, the Option Offer will not be extended to the CFSG SPA Options. In the event that some of the CFSG SPA Options are not exercised on or before the S&P Completion pursuant to the Undertakings and Agreements, the Option Offer will be extended to such CFSG SPA Options and the Share Offer will be extended to any CFSG Shares falling to be issued upon exercise of the CFSG SPA Options.

Save for the CFSG Options, as at the date of this joint announcement, there are no outstanding convertible securities, warrants, options or derivatives issued by CFSG which may confer any rights to the holder(s) thereof to subscribe for, convert or exchange into CFSG Shares.

Under the terms of the CFSG Share Option Scheme, if the Option Offer is not accepted in respect of any CFSG Options, any unexercised CFSG Options shall remain valid in accordance with the terms of the CFSG Options and subject to such restrictions as applied to it before the Offers.

Comparisons of value

The Share Offer

The Share Offer Price represents:

- (a) a premium of approximately 7.1% over the closing price of HK\$0.7 per CFSG Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 10.6% over the average closing price of HK\$0.678 per CFSG Share as quoted on the Stock Exchange over the last five consecutive trading days up to and including the Last Trading Day;
- (c) a premium of approximately 30.7% over the average closing price of HK\$0.574 per CFSG Share as quoted on the Stock Exchange over the last 30 consecutive trading days up to and including the Last Trading Day;
- (d) a premium of approximately 45.9% over the average closing price of HK\$0.514 per CFSG Share as quoted on the Stock Exchange over the last 60 consecutive trading days up to and including the Last Trading Day;
- (e) a premium of approximately 48.8% over the average closing price of HK\$0.504 per CFSG Share as quoted on the Stock Exchange over the last 90 consecutive trading days up to and including the Last Trading Day;

- (f) a discount of approximately 63.9% to the audited consolidated net asset value attributable to the CFSG Shareholders of approximately HK\$2.08 per CFSG Share (based on the audited consolidated net asset value of CFSG of HK\$503,798,000 as at 31 December 2019 (the date on which the latest audited financial results of the CFSG Group were made up) and 242,622,779 issued CFSG Shares as at the date of this joint announcement); and
- (g) a discount of approximately 61.7% to the unaudited consolidated net asset value attributable to the CFSG Shareholders of approximately HK\$1.96 per CFSG Share (based on the unaudited consolidated net asset value of CFSG of HK\$475,674,000 as at 30 June 2020 and 242,622,779 issued CFSG Shares as at the date of this joint announcement).

Highest and lowest trading prices

During the six-month period immediately preceding the Last Trading Day, the highest closing price of CFSG Shares as quoted on the Stock Exchange was HK\$0.98 on 6 July 2020 and the lowest closing price of the CFSG Shares as quoted on the Stock Exchange was HK\$0.395 on 6 October 2020.

Total consideration for the Offers

As at the date of this joint announcement, there are (i) 242,622,779 CFSG Shares in issue, (ii) 23,496,000 CFSG 2020 Options outstanding (including 11,136,000 CFSG SPA Options which will be exercised in full on or before the S&P Completion pursuant to the Undertakings and Agreements), all of which are in-the-money, and (iii) 12,774,000 CFSG 2019 March Options and 2,790,000 CFSG 2019 June Options outstanding, all of which are out-of-the-money.

Upon the exercise in full of all the CFSG SPA Options on or before the S&P Completion prior to the Offers, there will be 253,758,779 CFSG Shares in issue.

On the basis that (i) 156,481,925 CFSG Shares will be subject to the Share Offer (representing the CFSG Shares not already held or to be acquired by the Offeror and parties acting in concert with it before the Offers) at the Share Offer Price of HK\$0.75, (ii) 12,360,000 CFSG 2020 Options (representing the outstanding CFSG 2020 Options other than the CFSG SPA Options) will be subject to the Option Offer at the Option Offer Price of HK\$0.27, and (iii) 15,564,000 CFSG Options (representing the aggregate of all the outstanding CFSG 2019 March Options and CFSG 2019 June Options) will be subject to the Option Offer at the Option Offer Price of HK\$0.0001, and assuming acceptance of the Offers in full and assuming that no CFSG Options are exercised before the close of the Offers, the total amount of cash required for the Offers will be HK\$120,700,200, including as to HK\$117,361,444 for the Share Offer and HK\$3,338,756 for the Option Offer.

The Offeror is of the view that the outstanding CFSG Options (except the CFSG 2020 Options) are out-of-the-money options and rational investors are assumed not to exercise such options given they will incur a loss by doing so. On that basis assuming no CFSG Options (except the CFSG 2020 Options) will be exercised, (i) 168,841,925 CFSG Shares (including the 12,360,000 CFSG Shares upon exercise of the outstanding 12,360,000 CFSG 2020 Options) will be subject to the Share Offer (representing the CFSG Shares not already held or to be acquired by the Offeror and parties acting in concert with it before the Offers) at the Share Offer Price of HK\$0.75, (ii) 15,564,000 CFSG Options (representing an aggregate of outstanding CFSG 2019 March Options and CFSG 2019 June Options) will be subject to the Option Offer at the Option Offer Price of HK\$0.0001, and assuming acceptance of the Offers in full, the total amount of cash required for the Offers will be HK\$126,633,000, including as to HK\$126,631,444 for the Share Offer and HK\$1,556 for the Option Offer. Based on the calculation set out above, the maximum funding required for the Offers is HK\$126,633,000.

Pre-conditions to the Offers

The Offers will not be made unless and until S&P Completion occurs. If the S&P Condition to the Undertakings and Agreements are not satisfied in accordance with the terms of the Undertakings and Agreements, the Offers will not be made.

In case the S&P Completion does not take place for some of the Vendors under the relevant Undertakings and Agreements, the Offeror will proceed with the S&P Completion with the remaining Vendors. In the event that the S&P Completion does not result in the increase of shareholding of the Offeror and parties acting in concert with it in CFSG by more than 2% from the lowest percentage holding of the Offeror and parties acting in concert with it in the 12 month period ending on and inclusive of the date of the S&P Completion, the Offers will not be made.

Conditions of the Offers

The Share Offer will be conditional upon the Offeror having received (and, where permitted, such acceptances not having been withdrawn), at or before 4:00 pm on the First Closing Date (or such other time as the Offeror may, subject to the Takeovers Code, decide), valid acceptances in respect of the CFSG Shares which, together with the CFSG Shares acquired or agreed to be acquired before or during the Share Offer, will result in the Offeror and any person acting in concert with it holding more than 50% of the voting rights of CFSG. If such condition is not satisfied on or before the First Closing Date, the Share Offer will lapse unless the offer period is extended by the Offeror in accordance with the Takeovers Code. Under Rule 15.5 of the Takeovers Code, the latest time on which the Offers may become or may be declared unconditional as to acceptance is 7:00 p.m. on the 60th day after the posting of the Composite Document (or such later date to which the Executive may consent). The Option Offer will be subject to and conditional upon the Share Offer becoming or being declared unconditional in all respects.

Confirmation of financial resources

The Offeror intends to finance and satisfy the total maximum consideration payable (including the stamp duty payable) under the Offers from the Facility. The Facility is provided by Bank of Communications (Hong Kong) Ltd. for financing the consideration payable by the Offeror for the Offers, and which is to be secured by, among others, (i) the 86,000,000 CFSG Shares held by CIGL, (ii) the Sale Shares and the Offer Shares to be acquired by the Offeror and (iii) pledge of a deposit of HK\$60,000,000 from CASH. Eddid Capital has been appointed as the financial adviser to the Offeror in respect of the Offers. Eddid Capital is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration for the Sale Shares under the Undertakings and Agreements and the full acceptance of the Offers as described above.

Effect of accepting the Offers

By validly accepting the Share Offer, the accepting Offer Shareholders will sell their tendered Offer Shares to the Offeror which are fully paid-up and free from all Encumbrances, together with all rights attached thereto on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document, including the right to receive in full all dividends and other distributions, if any, declared, made or paid, the record date of which falls on or after the date of despatch of the Composite Document.

As at the date of this joint announcement, (i) CFSG has no dividend or other distributions declared but not paid; and (ii) CFSG will not declare and pay any dividend or other distributions before the despatch of the Composite document and close of the Offers.

By validly accepting the Option Offer, the accepting CFSG Optionholders will tender their CFSG Options for cancellation and all rights attached thereto will be extinguished with effect from the date on which the Option Offer is made, being the date of despatch of the Composite Document.

Acceptance of the Offers shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Hong Kong stamp duty

Seller's ad valorem stamp duty arising in connection with acceptances of the Share Offer will be payable by each Offer Shareholder at the rate of 0.1% of (i) the consideration payable by the Offeror for such person's Offer Shares or, (ii) if higher, the market value of the Offer Shares subject to such acceptance, and will be deducted from the cash amount due to such accepting Offer Shareholder. The Offeror will arrange for payment of sellers' ad valorem stamp duty on behalf of such accepting Offer Shareholders and pay the buyer's ad valorem stamp duty and will account to the Stamp Office of Hong Kong for all stamp duty payable on the sale and purchase of Offer Shares in respect of which valid acceptances are received under the Share Offer. No stamp duty is payable in connection with the acceptances of the Option Offer.

Payment

Payment in cash in respect of acceptances of the Offers (after deducting the accepting Offer Shareholders' share of stamp duty) will be made as soon as possible but in any event within seven (7) Business Days of the date of receipt of a duly completed acceptance, or the date on which the Offers become or are declared unconditional in all aspects, whichever is later. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offers complete, valid and in compliance with Note 1 to Rule 30.2 of the Takeovers Code.

Overseas CFSG Shareholders and CFSG Optionholders

The making of the Offers to persons not resident in Hong Kong may be affected by the laws and regulations of the relevant jurisdictions. Such persons should inform themselves about and observe any applicable legal, tax and regulatory requirements in their own jurisdictions. It is the responsibility of any overseas CFSG Shareholders or CFSG Optionholders wishing to accept the Offers to satisfy themselves as to the full observance of the laws of the relevant jurisdictions in connection with the Offers, including obtaining any governmental, exchange control or other consents which may be required, or compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction.

Any acceptance by any CFSG Shareholder or CFSG Optionholder will be deemed to constitute a representation and warranty from such CFSG Shareholder or CFSG Optionholder to the Offeror that the local laws and requirements have been complied with. The CFSG Shareholders and CFSG Optionholders should consult their professional advisers if in doubt.

Tax advice

CFSG Shareholders and CFSG Optionholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Offers. None of the Offeror, the parties acting in concert with it, Eddid Capital, their respective directors, officers, agents or associates or any other person involved in the Offers accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Composite Document

It is the intention of the respective board of directors of the Offeror and CFSG to combine the offer document and the offeree board circular into a composite offer document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, the terms of the Offers (including the expected timetable), the letter from the CFSG Independent Board Committee in relation to the Offers, the letter of advice from the CFSG Independent Financial Adviser to the CFSG Independent Board Committee in respect of the Offers, and a form of acceptance and transfer of the CFSG Shares and cancellation of the CFSG Options is required to be despatched to the CFSG Shareholders and the CFSG Optionholders within 21 days of the date of this joint announcement (or such later date as the Executive may approve). However, as the making of the Offers will be subject to S&P Completion having taken place and additional time is required for the preparation of CASH Circular for the CASH Shareholders to consider and (if appropriate) approve the Acquisitions and the Offers at the CASH SGM, an application will be made to the Executive for consent under Note 2 to Rule 8.2 of the Takeovers Code for an extension of time for despatching the Composite Document to any time within seven (7) days after S&P Completion or 19 October 2021, whichever is earlier. Further announcement will be made in the regard as and when appropriate.

SHAREHOLDING STRUCTURE OF CFSG

As at the date of this joint announcement, CFSG has 242,622,779 CFSG Shares in issue and 39,060,000 outstanding CFSG Options (including the 11,136,000 CFSG SPA Options which will be fully exercised prior to making of the Offers pursuant to the Undertakings and Agreements) granted under the CFSG Share Option Scheme. Save for the 242,622,779 CFSG Shares in issue and the 39,060,000 outstanding CFSG Options, there are no relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of CFSG in issue.

The following tables set out the shareholding structure of CFSG assuming none of the CFSG Options (except CFSG SPA Options which are fully exercised pursuant to the Undertakings and Agreements) is exercised on or before the S&P Completion and that there are no other changes to the issued share capital of CFSG:

	(i) As at the date of this joint announcement		(ii) Immediately before the S&P Completion (and assuming that only the CFSG SPA Options are exercised and that there are no other changes to the issued share capital of CFSG after the date of this joint announcement)		(iii) Immediately after the S&P Completion but before the Offers are made (and assuming that only the CFSG SPA Options are exercised and that there are no other changes to the issued share capital of CFSG after the date of this joint announcement)	
	No. of CFSG Share	Approximate %	No. of CFSG Shares	Approximate %	No. of CFSG Shares	Approximate %
CIGL	86,140,854	35.50	86,140,854	33.95	97,276,854	38.33
CASH Directors and directors of the Offeror:						
Dr Kwan Pak Hoo Bankee (Notes 1 and 3)	-	-	-	-	-	-
Mr Leung Siu Pong James (Note 3)	-	-	-	-	-	-
Mr Li Shing Wai Lewis (Notes 1 and 3)	-	-	-	-	-	-
Mr Kwan Teng Hin Jeffrey (Notes 1 and 3)	-	-	-	-	-	-
(1) CIGL and parties acting in concert with it (Note 5)	86,140,854	35.50	86,140,854	33.95	97,276,854	38.33
CFSG Directors:						
Mr Ng Hin Sing Derek (Note 2)	-	-	2,472,000	0.98	-	-
Mr Lo Kwok Hung John	62,775	0.03	62,775	0.02	62,775	0.02
(2) CFSG Directors	62,775	0.03	2,534,775	1.00	62,775	0.02
Director of CFSG subsidiaries:						
Mr Cheung Wai Ching Anthony (Notes 2 and 4)	-	-	2,472,000	0.97	-	-
Mr Ho Tsz Cheung Jack (Notes 2 and 4)	-	-	2,472,000	0.97	-	-
(3) CFSG Subsidiaries' Director	-	-	4,944,000	1.94	-	-
Sub-total ((1) to (3))	86,203,629	35.53	93,619,629	36.89	97,339,629	38.35
Substantial Shareholder:						
Ever Billion Group Limited (Note 6)	41,300,000	17.02	41,300,000	16.28	41,300,000	16.28
Other Vendors:						
Mr Law Ping Wah Bernard (Notes 2 and 4)	8,800	-	2,480,800	0.98	8,800	-
Mr Lau Chi Wo (Note 2)	95,820	0.04	1,343,820	0.53	95,820	0.04
Other Public	115,014,530	47.41	115,014,530	45.32	115,014,530	45.33
Public Shareholders	115,119,150	47.45	118,839,150	46.83	115,119,150	45.37
TOTAL ISSUED SHARES (Note 7)	242,622,779	100.00	253,758,779	100.00	253,758,779	100.00

Notes:

1. Dr Kwan, Mr Li Shing Wai Lewis and Mr Kwan Teng Hin Jeffrey are also CFSG Directors.
2. One of the Vendors and holders of the CFSG SPA Options.
3. Save for Dr Kwan, Mr Leung Siu Pong James, Mr Li Shing Wai Lewis and Mr Kwan Teng Hin Jeffrey who are CFSG Optionholders (details of which are set out under the section headed “Interest in CFSG securities by Offeror and other parties” below), no other CASH Directors hold any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of CFSG.
4. Mr Cheung Wai Ching Anthony and Mr Ho Tsz Cheung Jack are former CFSG Directors and are not CASH Directors. Mr Law Ping Wah Bernard is a consultant of CFSG and former executive directors of CASH and CFSG. He has ceased as executive directors of CASH and CFSG for more than 12 months preceding the date of this joint announcement. They are independent parties independent of CASH and its connected persons (as defined under the Listing Rules).
5. It is expected that the S&P Completion shall take place on the same date as the date of allotment and issue of the 11,136,000 Sale Shares upon exercise of the 11,136,000 CFSG SPA Options by the Vendors. The number of CFSG Shares held by CIGL and parties acting in concert it will be increased to 97,276,854 CFSG Shares after acquiring 11,136,000 Sales Shares upon the S&P Completion.
6. The shareholding interest of Ever Billion Group Limited was based on the notice dated 20 June 2017 filed by it pursuant to Divisions 2 and 3 of Part XV of the SFO after adjusting the number of CFSG Shares held by it due to the 20-to-1 share consolidation of CFSG which took effect on 7 September 2020. Based on the said notice filed by Ever Billion Group Limited, Ever Billion Group Limited is a wholly-owned subsidiary of Sunbase International (Holdings) Limited, which is in turn owned as to 66.67% by Mr Gao Gunter and 33.33% by Ms Yang Linda.
7. The enlarged issued share capital of CFSG will be 253,758,779 CFSG Shares after the allotment and issue of the 11,136,000 Sale Shares upon exercise of the CFSG SPA Options in full by the Vendors.

INFORMATION ON THE CFSG GROUP

Principal activities

The principal activity of CFSG is investment holding. The principal activities of the CFSG Group are (a) provision of online and traditional brokerage of securities, futures and options as well as life insurance, mutual funds and mandatory provident fund products, (b) proprietary trading of debt and equity securities and derivatives, (c) provision of margin financing and money lending services, (d) provision of investment banking services, and (e) provision of asset management services. For additional information, please visit www.cfsg.com.hk.

Financial information

Based on the audited accounts of CFSG, the net losses (before and after taxation and extraordinary items) for the financial year ended 31 December 2018 were both approximately HK\$144.5 million, and the audited net asset value as at 31 December 2018 was approximately HK\$623.9 million.

Based on the audited accounts of CFSG, the net losses (before and after taxation and extraordinary items) for the financial year ended 31 December 2019 were both approximately HK\$116.9 million, and the audited net asset value as at 31 December 2019 was approximately HK\$503.8 million.

The unaudited net asset value of CFSG as at 30 June 2020 was approximately HK\$475.7 million.

INFORMATION ON THE OFFEROR

CIGL, a company incorporated in the British Virgin Islands with limited liability, is a wholly-owned subsidiary of CASH. Its activity is investment holding. As at the date of this joint announcement, it holds 86,140,854 CFSG Shares (representing approximately 35.50% of issued CFSG Shares). CFSG is currently an associated company of CASH.

The current principal activities of the CASH Group consist of:- (a) retail management business including sales of furniture and household items and electrical appliances through the chain stores under multi-brand names including “Pricerite”, “TMF” and “SECO” in Hong Kong; (b) general investment holding. For additional information, please visit www.cash.com.hk.

Based on the audited accounts of CASH, the net losses (before taxation and extraordinary items) for the financial year ended 31 December 2018 were approximately HK\$135.6 million and the net losses (after taxation and extraordinary items) was approximately HK\$204.9 million, and the audited net asset value as at 31 December 2018 was approximately HK\$280.3 million.

Based on the audited accounts of CASH, the net losses (before taxation and extraordinary items) for the financial year ended 31 December 2019 were approximately HK\$72.2 million and the net losses (after taxation and extraordinary items) was approximately HK\$100.3 million, and the audited net asset value as at 31 December 2019 was approximately HK\$170.5 million.

The unaudited net asset value of CASH as at 30 June 2020 was approximately HK\$166.8 million.

OFFEROR’S INTENTION IN RELATION TO THE CFSG GROUP

It is the intention of the Offeror to continue the existing business of the CFSG Group and has no intention to put forward any major changes to the businesses of the CFSG Group after the close of the Offers.

Proposed change to the board composition of CFSG

It is expected that all of the existing executive CFSG Directors and independent non-executive CFSG Directors will remain unchanged. The Offeror does not intend to make any changes to the existing management and employment of the employees of the CFSG Group.

PUBLIC FLOAT OF THE COMPANY

To the best knowledge, belief and information of the Directors, the Company has sufficient public float in compliance with the Listing Rules. If at the close of the Share Offer, less than 25% of the CFSG Shares are held by the public or if the Stock Exchange believes that:

- (a) a false market exists or may exist in the trading of the CFSG Shares; or
- (b) there are insufficient CFSG Shares in public hands to maintain an orderly market,

then the Stock Exchange may exercise its discretion to suspend dealings in the CFSG Shares. In that connection, it should be noted that, upon completion of the Share Offer, there may be insufficient public

float for the CFSG Shares and therefore trading in the CFSG Shares may be suspended until a prescribed level of public float is attained.

CFSG INDEPENDENT BOARD COMMITTEE AND CFSG INDEPENDENT FINANCIAL ADVISER

The CFSG Independent Board Committee comprising Mr Cheng Shu Shing Raymond, Mr Lo Ming Chi Charles and Mr Lo Kwok Hung John, being all the independent non-executive CFSG Directors who have no direct or indirect interest in the Offers, will be formed to advise the Offer Shareholders and the CFSG Optionholders in relation to the terms and conditions of the Offers, in particular as to whether the Offers are fair and reasonable and as to acceptance of the Offers.

The CFSG Independent Financial Adviser will be appointed, subject to approval by the CFSG Independent Board Committee, to advise the CFSG Independent Board Committee in respect of the Offers in due course. A further announcement will be made by CFSG upon the appointment of the CFSG Independent Financial Adviser in accordance with Rule 2.1 of the Takeovers Code.

INTEREST IN CFSG SECURITIES BY OFFEROR AND OTHER PARTIES

As at the date of this joint announcement:

(a) the Offeror and CASH Directors hold the CFSG Shares as set out in the section headed “Shareholding structure of CFSG”;

(b) (i) the CASH Directors hold the following outstanding CFSG Options:-

Name		Date of grant	Exercise period	Exercise price per CFSG Option (HK\$)	Number of CFSG Options held as at the date of this joint announcement	Percentage to issued CFSG Shares as at the date of this joint announcement (%)
Dr Kwan Pak Hoo Bankee	CFSG 2019 March Option	29/03/2019	01/05/2019 - 30/04/2022	1.42	1,800,000	0.7
	CFSG 2020 Options	29/04/2020	01/05/2020 - 30/04/2022	0.48	2,472,000	1.0
Mr Leung Siu Pong James	CFSG 2020 Options	29/04/2020	01/05/2020 - 30/04/2022	0.48	2,472,000	1.0
Mr Li Shing Wai Lewis	CFSG 2019 March Option	29/03/2019	01/05/2019 - 30/04/2022	1.42	450,000	0.1
	CFSG 2020 Options	29/04/2020	01/05/2020 - 30/04/2022	0.48	2,472,000	1.0
Mr Kwan Teng Hin Jeffrey	CFSG 2019 March Option	29/03/2019	01/05/2019 - 30/04/2022	1.42	1,800,000	0.7
	CFSG 2020 Option	29/04/2020	01/05/2020 - 30/04/2022	0.48	2,472,000	1.0
					13,938,000	5.5

Notes:

- (i) All of the above CASH Directors (except Mr Leung Siu Pong James) are also CFSG Directors as at the date of this joint announcement.
- (ii) Save as disclosed above, none of the CASH Directors has any interests in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of CFSG as at the date of this joint announcement.

(c) (ii) save as disclosed in (b)(i) above, the other CFSG Directors hold the following outstanding CFSG Options:-

Name	Date of grant	Exercise period	Exercise price per CFSG Option (HK\$)	Number of CFSG Options held as at the date of this joint announcement	Percentage to issued CFSG Shares as at the date of this joint announcement (%)
Mr Ng Hin Sing Derek	CFSG 2020 Option	29/04/2020 - 01/05/2020 - 30/04/2022	0.48	2,472,000	1.0
Mr Kwok Ka Lok Lionel	CFSG 2019 March Option	29/03/2019 - 01/05/2019 - 30/04/2022	1.42	900,000	0.3
				3,372,000	1.3

- (d) the Offeror has purchased (i) a total of 54,996,000 CFSG Shares at prices between HK\$0.028 and HK\$0.033 per CFSG Share in July 2020 before the 20-to-1 share consolidation of CFSG took effect on 7 September 2020; and
- (e) CFSG has repurchased (i) a total of 5,165,400 CFSG Shares at prices between HK\$0.39 and HK\$0.58 per CFSG Share during September 2020 to November 2020.

The Offeror confirms that:-

- (i) save as disclosed in paragraphs (a) and (b) above and the Sale Shares to be acquired by CIGL under the Undertakings and Agreements, neither the Offeror nor any person acting in concert with it owned or had control or direction over any voting rights or rights over the CFSG Shares or convertible securities, warrants, options of CFSG or any derivatives in respect of such securities; and
- (ii) save as disclosed in paragraph (d) above, neither the Offeror nor any person acting in concert with it had dealt for value in any CFSG Shares, convertible securities, warrants or options of CFSG or any derivatives in respect of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of CFSG in the 6 months prior to the date of this joint announcement.

OTHER ARRANGEMENTS

As at the date of this joint announcement:

- (a) neither the Offeror nor any person acting in concert with it has received any irrevocable commitment to accept the Offers;

- (b) save for the Undertakings and Agreements: (i) there are no arrangements (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the CFSG Shares or shares of the Offeror which might be material to the Offers; and (ii) there is no agreement or arrangement to which the Offeror (nor any person acting in concert with it) is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;
- (c) there are no relevant securities in CFSG which the Offeror (or any person acting in concert with it) has borrowed or lent, save for any borrowed shares which have been either on-lent or sold;
- (d) save for the Undertakings and Agreements, there are no other outstanding derivative in respect of securities in CFSG entered into by the Offeror or any person acting concert with it;
- (e) save for the total consideration of HK\$8,352,000 in cash under the Undertakings and Agreements, there is no other consideration, compensation or benefits in whatever form provided or to be provided by the Offeror or any parties acting in concert with it on one hand to the Vendors or any party acting in concert with any of them on the other hand in connection with the sale and purchase of the Sale Shares under the Undertakings and Agreements;
- (f) save for the Undertakings and Agreements, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror or any parties acting in concert with it on the one hand, and the Vendors and any parties acting in concert with any of them on the other hand; and
- (g) save for the Undertakings and Agreements, there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (a) any CFSG Shareholder (on one hand); and (b)(i) the Offeror and any parties acting in concert with it, or (b)(ii) CFSG, its subsidiaries or associated companies (on the other hand).

WARNING:

The CFSG Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement, and strongly recommend the Offer Shareholders and the CFSG Optionholders not to form a view on the Offers unless and until they have received and read the Composite Document, including the recommendation of the CFSG Independent Board Committee in respect of the Offers and the letter of advice from the CFSG Independent Financial Adviser.

The Offers will only be made if S&P Completion takes place. The S&P Completion is conditional upon the fulfillment of the S&P Condition described under the paragraph headed “S&P Condition” in the section headed “The Undertakings and Agreements” in this joint announcement. Accordingly, the Offers may or may not be made. Shareholders, optionholders and potential investors of CFSG and CASH are advised to exercise caution in dealing in the relevant securities of CFSG and/or CASH. If any shareholders, optionholders or potential investors of CFSG and/or CASH are in any doubt about their position, they should consult their own professional advisers.

DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, associates of CFSG or the Offeror (including persons who own or control 5% or more of any class of relevant securities (as defined in paragraphs (a) to (d) in Note 4 to Rule 22 of the Takeovers Code) of CFSG or the Offeror) are hereby reminded to disclose their dealings in the relevant securities of CFSG pursuant to the Takeovers Code.

The full text of Note 11 of Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

DEFINITIONS

“Acquisition”	the proposed acquisition by CIGL of the Sale Shares falling to be issued to the Vendors upon exercise of the CFSG SPA Options pursuant to the Undertakings and Agreements
“Acquisitions”	the Acquisition and the Possible Acquisition under the Offers
“acting in concert”	has the meaning given to it in the Takeovers Code, and “persons acting in concert” and “concert parties” should be construed accordingly
“associate”	has the same meaning as ascribed to it under the Takeovers Code or the Listing Rules as the context may require
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“CASH”	Celestial Asia Securities Holdings Limited (Stock code: 1049), a company incorporated in Bermuda with limited liability and which securities are listed on the Main Board of the Stock Exchange, and is the substantial Shareholder of CFSG held through CIGL

“CASH Board”	the board of directors of CASH
“CASH Circular”	the circular to be despatched to the CASH Shareholders containing details of (i) the Acquisitions; (ii) relevant financial information of the CASH Group and the CFSG Group; and (iii) a notice convening the CASH SGM
“CASH Directors”	the directors of CASH
“CASH Group”	CASH and its subsidiaries
“Cash Guardian”	Cash Guardian Limited, a company incorporated in the British Virgin Islands with limited liability, which is a 100%-controlled corporation and an associate of Dr Kwan
“CASH SGM”	the special general meeting of CASH to be convened to seek the CASH Shareholders’ approval in respect of the Acquisitions and making of the Offers
“CASH Shareholders”	the shareholders of CASH
“CASH Shares”	ordinary shares with par value of HK\$0.20 each in the share capital of CASH
“CFSG”	CASH Financial Services Group Limited (stock code: 510), a company incorporated in Bermuda with limited liability and which securities are listed on the Main Board of the Stock Exchange, and is an associated company of CASH
“CFSG Board”	the board of directors of CFSG
“CFSG Directors”	the directors of CFSG
“CFSG Group”	CFSG and its subsidiaries
“CFSG Independent Board Committee”	the independent committee of the CFSG Board (comprising the three independent non-executive directors of CFSG) to be formed for the purpose of making a recommendation to the Offer Shareholders and to the CFSG Optionholders as to whether the Offers are respectively fair and reasonable and as to acceptance
“CFSG Independent Financial Adviser”	the independent financial adviser to be appointed by the CFSG Independent Board Committee to advise the CFSG Independent Board Committee in connection with the Offers and, in particular, as to whether the Offers are respectively fair and reasonable and as to acceptance
“CFSG Optionholder(s)”	grantees/holders for the time being of the CFSG Option(s)

“CFSG Options”	the outstanding CFSG Options, being CFSG 2019 March Options, CFSG 2019 June Options and CFSG 2020 Options, granted by CFSG pursuant to the CFSG Share Option Scheme to subscribe for up to an aggregate of 39,060,000 CFSG Shares as at the date of this joint announcement
“CFSG Share(s)”	ordinary share(s) with par value of HK\$0.40 each in the share capital of CFSG
“CFSG SPA Options”	an aggregate of 11,136,000 CFSG 2020 Options held by the Vendors (including a Connected Person of CASH) conditionally agreed to be exercised and the Sale Shares to be sold by the Vendors to the Offeror under the Undertakings and Agreements
“CFSG Share Option Scheme”	the share option scheme of CFSG adopted by CFSG on 8 June 2018 which became effective on 8 June 2018, and is the existing share option scheme of CFSG
“CFSG Shareholders”	holders of CFSG Shares
“CFSG 2019 June Options”	the outstanding 2,790,000 CFSG Options with exercise price of HK\$1.04 granted by CFSG in June 2019
“CFSG 2019 March Options”	the outstanding 12,774,000 CFSG Options with exercise price of HK\$1.42 granted by CFSG in March 2019
“CFSG 2020 Options”	the outstanding 23,496,000 CFSG Options with exercise price of HK\$0.48 granted by CFSG in April 2020
“Composite Document”	the composite offer and response document to be issued jointly by the Offeror and CFSG to all the Offer Shareholders and the CFSG Optionholders in accordance with the Takeovers Code containing, amongst other things, the detailed terms of the Offers
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules
“Connected Person(s) of CASH”	Dr Kwan, Mr Leung Siu Pong James, Mr Li Shing Wai Lewis, Mr Kwan Teng Hin Jeffrey (being CASH Directors and holders of CFSG 2020 Options) and Mr Ng Hin Sing Derek (one of the Vendors and former executive director of CASH in preceding 12 months from the date of this joint announcement), holding an aggregate of 12,360,000 CFSG SPA Options as at the date of this joint announcement, who are connected persons of CASH (as defined under the Listing Rules)

“Dr Kwan”	Dr Kwan Pak Hoo Bankee, who is (i) the chairman and an executive director of each of CFSG and CASH; (ii) a substantial Shareholder of CASH, holding directly and indirectly (through Cash Guardian) in aggregate 40,197,599 CASH Shares (representing approximately 49.79% of issued CASH Shares) as at the date of this joint announcement; and (iii) a party acting in concert with the Offeror
“Eddid Capital”	Eddid Capital Limited, a corporation licensed by SFC to carry out business in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the agent making the Offers on behalf of the Offeror and the financial adviser to the Offeror in respect of the Offers
“Encumbrance”	a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect;
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“Exempt Connected Transaction”	the acquisition of 2,472,000 Sale Shares from Mr Ng Hin Sing Derek pursuant to the Undertaking and Agreement entered into by him and the possible cancellation of the 9,888,000 CFSG 2020 Options held by the Connected Persons of CASH or the possible acquisition of 9,888,000 CFSG Shares falling to be issued upon exercise of such 9,888,000 CFSG 2020 Options from the Connected Persons of CASH at a total maximum consideration of HK\$9,270,000 under the Acquisition
“Facility”	the facility in the total amount of HK\$135,000,000 under the loan facility agreement entered into between, among others, Bank of Communications (Hong Kong) Ltd. as lender and CASH (the holding company of the Offeror) as borrower and Dr Kwan as guarantor to the extent of HK\$80,000,000 in relation to a loan facility for financing the consideration payable by the Offeror for the Possible Acquisition under the Offers, and the relevant security documents, including, inter alia, a share charge in respect of the 86,000,000 CFSG Shares held by CIGL and the Sale Shares and the Offer Shares to be acquired by the Offeror and pledge of a deposit of HK\$60,000,000 given by the Offeror to Bank of Communications (Hong Kong) Ltd. relating to the said loan facility
“First Closing Date”	the date to be stated in the Composite Document as the first closing date of the Share Offer (or any subsequent closing date as may be decided and announced by the Offeror and approved by the Executive)

“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic China
“Last Trading Day”	31 December 2020, being the last trading day for the CFSG Shares on the date of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 September 2021, or such other date as the Vendors and the Offeror may agree in writing
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
“Offeror” or “CIGL”	Celestial Investment Group Limited, a company incorporated in the British Virgin Islands with limited liability, and is a wholly-owned subsidiary of CASH, holding 86,140,854 CFSG Shares as at the date of this joint announcement
“Offers”	the Share Offer and the Option Offer
“Offer Shareholder(s)”	holder(s) of CFSG Share(s), other than the Offeror and parties acting in concert with it
“Offer Share(s)”	CFSG Share(s) subject to the Share Offer
“Option Offer”	the possible conditional mandatory cash offer to be made by Eddid Capital on behalf of the Offeror to the relevant CFSG Optionholders for cancellation of the CFSG Options (except the CFSG SPA Options) at the Option Offer Price in accordance with Rule 13 of the Takeovers Code
“Option Offer Price”	the relevant cash amount per CFSG Option, payable by the Offeror to the relevant CFSG Optionholders for each CFSG Option accepted under the Option Offer as set out under the paragraph headed “The Option Offer” in this joint announcement, which is HK\$0.0001 for CFSG Options (except the CFSG 2020 Options) and HK\$0.27 for CFSG 2020 Options (except the CFSG SPA Options), as the case may be
“Parties”	CIGL and the Vendors, being the parties to the Undertakings and Agreements
“Possible Acquisition under the Offers”	the possible on-market acquisition of CFSG Shares and possible acquisition of CFSG Shares from all the Offer Shareholders under the Share Offer

“PRC”	the People’s Republic of China, which for the purpose of this joint announcement shall exclude Hong Kong, Taiwan and Macau Special Administrative Region of the PRC
“Sale Shares”	an aggregate of 11,136,000 CFSG Shares to be issued upon exercise of the CFSG SPA Options by the Vendors, conditionally agreed by the Vendors to be sold to CIGL under the Undertakings and Agreements
“S&P Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Undertakings and Agreements
“S&P Completion Date”	the date of S&P Completion, which shall take place on the seventh (7th) Business Day following the day on which the S&P Condition has been fulfilled or on such other date as Parties may agree in writing
“S&P Condition”	the condition of the Undertakings and Agreements, as set out under the heading “The S&P Condition” under the section headed “The Undertakings and Agreements” in this joint announcement
“SFC”	the Securities and Futures Commission in Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Offer”	the possible conditional mandatory cash offer to be made by Eddid Capital on behalf of the Offeror to acquire all of the CFSG Shares (other than those CFSG Shares already owned by or agreed to be acquired by the Offeror and parties acting in concert with it at the time the Share Offer is made) at the Share Offer Price in accordance with the Takeovers Code
“Share Offer Price”	the cash amount of HK\$0.75 per CFSG Share payable by the Offeror to the relevant Offer Shareholders for each CFSG Share accepted under the Share Offer
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning as ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers published by the SFC as amended from time to time
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities

“Undertakings and Agreements”	the irrevocable undertakings and agreements all dated 31 December 2020 made between the Offeror with each of the Vendors pursuant to which the Vendors have conditionally agreed to sell, and the Offeror has conditionally agreed to purchase the Sale Shares
“Vendors”	the persons whose names are set out under the heading “The Parties” under the section headed “The Undertakings and Agreements” of this joint announcement, holding an aggregate of 11,136,000 CFSG SPA Options as at the date of this joint announcement
“%”	per cent

On behalf of the CFSG Board
Lewis Li
*Executive Director and
Chief Financial Officer*

On behalf of the CASH Board
Bankee P. Kwan
Executive Director and Chairman

Hong Kong, 31 December 2020

As at the date hereof, the CFSG Board comprises:-

Executive directors:

Dr Kwan Pak Hoo Bankee, JP
Mr Li Shing Wai Lewis
Mr Kwan Teng Hin Jeffrey
Mr Ng Hin Sing Derek
Mr Kwok Ka Lok Lionel

Independent non-executive directors:

Mr Cheng Shu Shing Raymond
Mr Lo Kwok Hung John
Mr Lo Ming Chi Charles

The CFSG Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement to the extent it relates to the CFSG Group and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the CASH Directors and directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date hereof, the CASH Board comprises:-

Executive directors:

Dr Kwan Pak Hoo Bankee, JP
Mr Leung Siu Pong James
Mr Li Shing Wai Lewis
Mr Kwan Teng Hin Jeffrey

Independent non-executive directors:

Mr Leung Ka Kui Johnny
Mr Wong Chuk Yan
Dr Chan Hak Sin

As at the date hereof, the board of the Offeror comprises:-

Dr Kwan Pak Hoo Bankee, JP
Mr Leung Siu Pong James
Mr Li Shing Wai Lewis
Mr Kwan Teng Hin Jeffrey

The CASH Directors and the directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the CFSG Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the CFSG Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

** For identification purposes only*