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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)

JOINT ANNOUNCEMENT

DISCLOSEABLE TRANSACTION

MAJOR TRANSACTION

IN RELATION TO

IN RELATION TO

**DISPOSAL OF A PROPERTY
INTEREST**

**DISPOSAL OF A PROPERTY
INTEREST**

CFSG

On 4 May 2016 (after trading hours), the Seller (a wholly-owned subsidiary of CFSG) and the Purchaser (the Independent Third Party) entered into the MOU by which, subject to the Conditions, the Seller will sell and the Purchaser will purchase the Sale Share and the Sale Loans at the Consideration of HK\$140,500,000 to be settled in cash. The Sale Share represents the entire share capital of Cheer Wise, which in turn owns the Property.

As the relevant Percentage Ratios of the Disposal for CFSG under the Listing Rules is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for CFSG under the Listing Rules and is subject to the announcement and circular requirements of the Listing Rules and no shareholders' approval is required.

A circular of CFSG containing, among other things, further details of the Disposal and other information as required under the Listing Rules will be despatched to the CFSG Shareholders on or before 17 June 2016 as CFSG expects that it requires more time to collate the information to be included in the circular.

CASH

The Seller is currently an indirect non-wholly-owned subsidiary of CASH held through CFSG. As the relevant Percentage Ratios of the Disposal for CASH under the Listing Rules is more than 25% but less than 75%, the Disposal constitutes a major transaction for CASH under the Listing Rules and is subject to the announcement, circular and CASH Shareholders' approval requirements under the Listing Rules.

A circular of CASH containing, among other things, further details of the Disposal, other information as required under the Listing Rules and notice of the CASH SGM will be despatched to the CASH Shareholders on or before 17 June 2016 as CASH expects that it requires more time to collate the information to be included in the circular.

INTRODUCTION

The Seller and the Purchaser entered into the MOU under which, subject to the Conditions, the Seller shall sell to the Purchaser the Sale Share and the Sale Loans at the Consideration.

THE MOU

Date : 4 May 2016 (after trading hours)

The Seller : Max Luck Associates Limited, a wholly-owned subsidiary of CFSG and an indirect non-wholly-owned subsidiary of CASH held through CFSG. Its principal business is investment holding.

The Purchaser : Ultimate Luck Global Limited, whose principal business is investment holding. It is an Independent Third Party for each of CFSG and CASH.

Assets to be disposed : The Sale Share, being one ordinary share of US\$1 each in the capital of Cheer Wise, and the Sale Loans.

The Sale Share represents the entire share capital of Cheer Wise, which in turn owns the Property.

Cheer Wise is a wholly-owned subsidiary of CFSG and an indirect non-wholly-owned subsidiary of CASH held through CFSG. Its principal business is investment holding and it has been holding the Property as its only asset.

The Property: The whole floor of 21/F of Rykadan Capital Tower, No. 135-137 Hoi Bun Road, Kwun Tong, Kowloon (Kwun Tong Inland Lot No. 526) (with a total gross area of approximately 12,007 square feet), together with four car parking spaces Nos. P15 to P18 on 1/F of the same building.

The Consideration : HK\$140,500,000, being the aggregate consideration for the Sale Share and the Sale Loans, to be settled in cash.

The Consideration was arrived at after arm's length negotiation between the parties to the MOU on normal commercial terms with reference to the actual transaction prices of similar properties in nearby location amid the recent property market in Hong Kong after considering the recent valuation of the Property, the latest net asset value of Cheer Wise and the carrying value of the Sale Loans as at 31 December 2015.

The CFSG Board and the CASH Board consider that the terms of the MOU are fair and reasonable and are in the best interest of their respective companies and shareholders as a whole.

Payment terms : The Consideration has been/ shall be paid by the Purchaser to the Seller by cash in the following manner:

- (i) an earnest money in the sum of HK\$6,950,000 has been paid to the Seller's solicitors upon signing of the MOU;
- (ii) a further sum of HK\$7,100,000 shall be paid to the Seller's solicitors upon signing of the S&P Agreement, and the said earnest money and further sum shall then be regarded as deposit(s) in partial payment of the Consideration upon the parties' signing of the S&P Agreement, which shall be not later than the expiry of the Due Diligence Period, and such deposit(s) shall be stake-held by the Seller's solicitors subject to the satisfaction of the Due Diligence Review; and
- (iii) HK\$126,450,000 being the remaining balance of the Consideration shall be paid upon the Completion.

The Seller shall sell the Sale Share to the Purchaser free from all kinds of liabilities, encumbrances and/or debts (except the Sale Loans being sold and assigned to the Purchaser or its nominee). For avoidance of doubt, the Seller shall clear up all the assets of Cheer Wise (including cash and balances of money at all bank accounts) except the Property and fully settle and pay all the bank loans and interest (including all sums of money due or payable by Cheer Wise to bank(s)) as well as all tax liabilities of Cheer Wise before the Completion. For the avoidance of doubt, for the calculation of tax liabilities, the deferred tax of Cheer Wise shall not be calculated or taken into account.

Conditions precedent: The Disposal is conditional upon, among others, satisfaction of the following conditions:-

- (i) the approval of the MOU and/or the S&P Agreement and the transactions contemplated hereunder by CASH Shareholders at the CASH SGM to be duly convened in accordance with the requirements of the Listing Rules; and

- (ii) all necessary governmental, regulatory and third party approvals or consents for the MOU and/or the S&P Agreement and the transactions contemplated hereunder (including such approval by the Stock Exchange).

The above Conditions cannot be waived.

If the above conditions shall not be fulfilled by either the Seller or the Purchaser (as the case may be) (“Defaulting Party”) on or before 15 July 2016 (or such other date to be agreed in writing by the parties), the MOU and/or the S&P Agreement shall be terminated, and the Seller shall refund in full the said earnest money and further sum (or deposit) to the Purchaser without interest, compensation or cost (save and except that the Defaulting Party shall indemnify the other party a sum of HK\$200,000 for compensating such other party’s solicitors fee incurred for the legal works done for this transaction) and the parties shall (subject to such indemnity of HK\$200,000) have no claim against and no liability to each other, save and except any accrued rights and obligations of any party.

If the Seller or the Purchaser shall be in breach of the MOU or the S&P Agreement and fail to complete the sale and purchase, not due to the default of the other party, if the defaulting party (except the Defaulting Party as provided above) is the Purchaser, the deposit or deposits paid by the Purchaser to the Seller shall be wholly forfeited by the Seller as liquidated damage, and if the defaulting party (except the Defaulting Party as provided above) is the Seller, the Seller shall return in full all the deposit or deposits paid by the Purchaser to the Purchaser and on top shall pay to the Purchaser the equal amount of the deposit or deposits paid under the MOU or the S&P Agreement as liquidated damage. Also, the defaulting party (except the Defaulting Party as provided above) shall be responsible to pay to the agent both the Seller’s and Purchaser’s agency fees.

Due Diligence Review: If the Purchaser shall not be satisfied with the due diligence review on the financial and legal aspects of Cheer Wise and/or the title of the Property after expiration of the Due Diligence Period (or any other extended period mutually agreed in writing by the parties), of which the Purchaser must be satisfied with the due diligent exercise on a reasonable basis, the MOU and/or the S&P Agreement shall be cancelled by agreement at the parties’ own costs and the said earnest money and further sum (or deposit) so stakeheld by the Seller’s solicitors shall be refunded in full to the Purchaser without interest, compensation or costs, and the Seller shall thereafter be at liberty and entitled to sell or dispose of the Sale Share and/or Sale Loans and/or any assets of Cheer Wise and/or the Property to others.

Other terms and conditions: The Seller shall not, and shall also procure Cheer Wise and its respective affiliates, associates, subsidiaries and related parties not to, within the Due Diligence Period, enter into or agree to enter into any discussions, negotiations, contracts, arrangements or agreements with any person(s) or corporation(s) for sale or assignment or otherwise disposal of the Sale Share and/or Sale Loans or any shareholders' loans or directors' loans of Cheer Wise (if any) and/or the Property which may be in conflict or in competition with the transaction contemplated under the MOU.

The Seller shall co-operate with the Purchaser by providing access to and/or copies of all documents and drawings related to Cheer Wise and title deeds and documents and tenancy agreements and/or leases of the Property as more particularly listed in the MOU. The Purchaser is also entitled to inspect the Property at any time upon prior reasonable notice.

Completion : Completion of the Disposal shall take place within 7 business days after the date of fulfillment of the above conditions precedent and on or before 15 July 2016, whichever shall be later, or such other later date as the parties may agree in writing.

INFORMATION ABOUT CHEER WISE

Cheer Wise is a limited company incorporated in the British Virgin Islands on 18 October 2012. Cheer Wise is an investment holding company and is holding the Property as its only asset.

Based on the audited accounts of Cheer Wise, the net profits (before and after taxation and extraordinary items) for the financial year ended 31 December 2014 were approximately HK\$33.3 million and approximately HK\$27.5 million respectively, and the audited net asset value as at 31 December 2014 was approximately HK\$27.5 million.

Based on the unaudited management accounts of Cheer Wise prepared in accordance with generally accepted accounting principles in Hong Kong, the net losses (both before and after taxation and extraordinary items) for the financial year ended 31 December 2015 were approximately HK\$2.0 million, and the unaudited net asset value as at 31 December 2015 was approximately HK\$25.5 million.

INFORMATION ABOUT THE PURCHASER

Ultimate Luck Global Limited, a company incorporated in the British Virgin Islands with limited liability, is a non-wholly-owned subsidiary of Xinyi Glass Group and an associated company of Xinyi Solar Group.

Xinyi Glass Group is principally engaged in the production and sales of a wide range of glass products, including automobile glass, construction glass, float glass and other glass products for different commercial and industrial applications. All shares of Xinyi Glass are listed on the main board of the Stock Exchange.

Xinyi Solar Group is principally engaged in the production and sale of solar glass products at its production complex in the PRC as well as the development and operation of solar farms in the PRC. All shares of Xinyi Solar are listed on the main board of the Stock Exchange.

USE OF PROCEEDS FROM THE DISPOSAL

It is expected that after repayment of all the outstanding bank loans of approximately HK\$53.0 million as at 31 December 2015 of Cheer Wise and the other related legal costs, commission and expenses relating to the Disposal of approximately HK\$1.1 million, the net proceeds of the Disposal will be approximately HK\$86.4 million. The net proceeds from the Disposal will be used for general working capital of the Group.

The Disposal is expected to result in an unaudited loss (before taxation) of approximately HK\$10.2 million as calculated based on the Consideration of HK\$140.5 million less other related legal costs, commission and expenses of approximately HK\$1.1 million less the carrying value attributable to the Sale Share which amounted to approximately HK\$25.5 million as at 31 December 2015 and the Sale Loans which amounted to approximately HK\$124.1 million as at 31 December 2015 in the accounts of each of the CFSG Group and CASH Group. The calculation as disclosed above is only based on the financial figures as shown in the unaudited management accounts of Cheer Wise and the final figures are to be determined with reference to the fair value attributable to the Sale Share and the Sale Loans as at the Completion and are subject to review and audit by auditors.

Upon the Completion, Cheer Wise will cease to be a subsidiary of CASH and CFSG.

THE PROPERTY

The Property comprises the whole floor of 21/F of Rykadan Capital Tower, No. 135-137 Hoi Bun Road, Kwun Tong, Kowloon (Kwun Tong Inland Lot No. 526) with a total gross area of approximately 12,007 square feet, together with four car parking spaces Nos. P15 to P18 on 1/F of the same building. The Property is currently vacant.

The Property was purchased by Cheer Wise at a consideration of HK\$114,824,960 pursuant to provisional sale and purchase agreement dated 10 November 2012 as announced by CFSG on 10 November 2012. The market value of the Property as contained in the valuation report issued by an independent qualified professional valuer was HK\$155,000,000 as at 31 December 2015.

INFORMATION ON CFSG GROUP AND CASH GROUP

The current principal activities of the CFSG Group consist of provision of (a) online and traditional brokerage of securities, futures and options contracts as well as mutual funds and insurance-linked investment products, (b) principal investments of securities, futures and options, (c) margin financing and money lending services and (d) corporate finance services. For additional information, please visit www.cashon-line.com.

The current principal activities of the CASH Group consist of (a) the financial services business carried out via CFSG as aforementioned; (b) sales of furniture and household items and electrical appliances through the chain stores under the brand names of “Pricerite” in Hong Kong and “生活經艷” (translated as Sheng Huo Jing Yan) in China; (c) provision of mobile internet (to include content, operations and distribution activities) services and online game (sales of online game auxiliary products and licensing) services; and (d) investment holding. For additional information, please visit www.cash.com.hk.

REASON FOR THE DISPOSAL

In view of the appreciation of value of the Property against its historical cost of HK\$114,824,960; the recent pessimistic economic outlook and the expectation for further downturn in the domestic property market and the expected proceeds from the Disposal, the CFSG Board and the CASH Board consider that it is in the interests of their respective companies and shareholders as a whole to dispose the Sale Share to realise the value of property investment and enhance their financial position and working capital.

The CFSG Board and the CASH Board consider that the Disposal, the terms of which have been determined on an arm's length basis, are fair and reasonable and in the best interest of their respective companies and shareholders as a whole.

GENERAL

As the relevant Percentage Ratios of the Disposal for CFSG under the Listing Rules is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for CFSG under the Listing Rules and is subject to the announcement and circular requirements under the Listing Rules and no shareholders' approval is required.

The Seller is currently an indirect non-wholly-owned subsidiary of CASH held through CFSG. As one or more of the relevant Percentage Ratios of the Disposal for CASH under the Listing Rules is more than 25% but less than 75%, the Disposal also constitutes a major transaction for CASH under the Listing Rules and is subject to the announcement, circular and CASH Shareholders' approval requirements under the Listing Rules.

A circular of CFSG containing, among other things, further details of the Disposal and other information as required under the Listing Rules will be despatched to the CFSG Shareholders on or before 17 June 2016 as CFSG expects that it requires more time to collate the information to be included in the circular.

A circular of CASH containing, among other things, further details of the Disposal, other information as required under the Listing Rules and notice to convene the CASH SGM will be despatched to the CASH Shareholders on or before 17 June 2016 as CASH expects that it requires more time to collate the information to be included in the circular.

DEFINITIONS

“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 holding company of CFSG
“CASH Board”	the board of directors of CASH
“CASH Group”	CASH and its subsidiaries, including the CFSG Group
“CASH SGM”	a special general meeting of CASH to be convened and held for the purpose of approving the MOU and/or the S&P Agreement and the transaction contemplated thereunder

“CASH Shareholder(s)”	holder(s) of ordinary shares of HK\$0.10 each in the 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 indirect non-wholly-owned subsidiary of CASH
“CFSG Board”	the board of directors of CFSG
“CFSG Group”	CFSG and its subsidiaries
“CFSG Shareholder(s)”	holder(s) of ordinary shares of HK\$0.02 each in the capital of CFSG
“Cheer Wise”	Cheer Wise Investments Limited, a company incorporated in Hong Kong with limited liability, which is a wholly-owned subsidiary of CFSG and an indirect non-wholly-owned subsidiary of CASH held through CFSG
“Completion”	completion of the Disposal, as particularly described in the sub-section of “Completion” under the section of “MOU” in this announcement
“Conditions”	the conditions precedent for completion of the MOU, as particularly described in the sub-section of “Conditions precedent” under the section of “MOU” in this announcement
“Consideration”	HK\$140,500,000, being the aggregate consideration for the Sale Share and the Sale Loans, to be settled in cash
“Disposal”	the transaction contemplated under the MOU and/or the S&P Agreement, being the disposal of the Sale Share and the Sale Loans by the Seller to the Purchaser at the Consideration
“Due Diligence Period”	a period of four (4) calendar weeks (or longer if necessary) after the date of signing of the MOU (or such other period extended by the parties by their agreement in writing)
“Due Diligence Review”	a due diligence review on the financial and legal aspects of Cheer Wise by the Purchaser, as particularly described in the sub-section of “Due Diligence Review” under the section of “MOU” in this announcement

“Independent Third Party(ies)”	to the best of the directors’ knowledge, information and belief having made all reasonable enquiry, the Purchaser and the ultimate beneficial owner of the Purchaser are third parties independent of each of CFSG and CASH (as the case maybe) and connected persons (as defined under the Listing Rules) of each of CFSG and CASH (as the case maybe)
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	a legally binding memorandum of understanding in relation to the Disposal entered into between the Seller and the Purchaser on 4 May 2016 (after trading hours)
“Percentage Ratios”	the percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules
“Property”	the property as more particularly described in the section of “The Property” in this announcement
“Purchaser”	Ultimate Luck Global Limited, being an Independent Third Party for each of CFSG and CASH
“S&P Agreement”	a formal sale and purchase agreement in relation to the Disposal to be entered into between the Seller and the Purchaser
“Sale Loans”	the entire amount of loans or moneys due or payable by Cheer Wise to the Seller or any other person(s) or corporation(s) who could join in and execute any deed or document for assigning to the Purchaser (or its nominee) the rights and entitlements to claim or receive or recover such loans or moneys from Cheer Wise
“Sale Share”	1 ordinary share of US1.00 each in the capital of Cheer Wise, being the entire issued share of Cheer Wise
“Seller”	Max Luck Associates Limited, a company incorporated in the British Virgin Islands with limited liability, which is the legal and beneficial owner of the Sale Share. It is a wholly-owned subsidiary of CFSG and an indirect non-wholly-owned subsidiary of CASH held through CFSG
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xinyi Glass”	Xinyi Glass Holdings Limited (信義玻璃控股有限公司), a company incorporated in the Cayman Islands with limited liability, all the shares of which are listed on the main board (stock code: 00868)
“Xinyi Glass Group”	Xinyi Glass and its subsidiaries

“Xinyi Solar”	Xinyi Solar Holdings Limited (信義光能控股有限公司), a company incorporated in the Cayman Islands with limited liability, all the shares of which are listed on the main board (stock code: 00968)
“Xinyi Solar Group”	Xinyi Solar and its subsidiaries
“%”	per cent
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

Hong Kong, 4 May 2016

On behalf of the CFSG Board
Bernard Law
Executive Director & CFO

On behalf of the CASH Board
Bankee P. Kwan
Chairman & CEO

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

Executive directors:

Mr Kwan Pak Hoo Bankee, JP
 Ms Cheng Pui Lai Majone
 Mr Law Ping Wah Bernard
 Mr Ng Kung Chit Raymond
 Mr Lam Man Michael

Independent non-executive directors:

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

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

Executive directors:

Mr Kwan Pak Hoo Bankee, JP
 Mr Law Ping Wah Bernard
 Mr Law Ka Kin Eugene
 Mr Ng Hin Sing Derek

Independent non-executive directors:

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

* *for identification purpose only*