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CASH FINANCIAL SERVICES GROUP LIMITED
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
時富投資集團有限公司*
(incorporated in Bermuda with limited liability)
(Stock code: 1049)



EVER BILLION GROUP LIMITED
恆億集團有限公司
(incorporated in the British Virgin Islands with limited liability)

JOINT ANNOUNCEMENT

- (1) VERY SUBSTANTIAL DISPOSAL FOR CASH IN RELATION TO THE DISPOSAL OF 36.28% SHAREHOLDING IN CFSG TO EVER BILLION;**
- (2) POSSIBLE CONDITIONAL MANDATORY CASH OFFER BY HUARONG INTERNATIONAL SECURITIES LIMITED ON BEHALF OF EVER BILLION TO ACQUIRE ALL ISSUED SHARES IN THE ISSUED SHARE CAPITAL OF CFSG (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY EVER BILLION AND PARTIES ACTING IN CONCERT WITH IT); AND**
- (3) RESUMPTION OF TRADING IN SHARES OF CASH AND CFSG**

Financial adviser to CFSG

時富金融  CFSG
Celestial Capital Limited

Joint financial advisers to Ever Billion

 華融國際融資有限公司
HUARONG INTERNATIONAL CAPITAL LIMITED

Huarong International Capital Limited

 國泰君安國際
GUOTAI JUNAN INTERNATIONAL

Guotai Junan Capital Limited

 光大證券
EBS INTERNATIONAL
China Everbright Capital Limited

China Everbright Capital Limited

 中信建投國際
China Securities International

China Securities (International) Corporate Finance Company Limited

SUMMARY

VERY SUBSTANTIAL DISPOSAL FOR CASH DISPOSAL OF 36.28% SHAREHOLDING IN CFSG TO EVER BILLION – THE SALE AND PURCHASE AGREEMENT

On 8 September 2016, CIGL as seller, the Offeror as purchaser and CASH as guarantor entered into the Sale and Purchase Agreement whereby CIGL conditionally agreed to sell, and the Offeror conditionally agreed to purchase from CIGL, the CFSG Sale Shares, being 1,500,000,000 CFSG Shares, representing approximately 36.28% of the issued share capital of CFSG as at the date of this joint announcement, at the Consideration of HK\$765,000,000 (representing a purchase price of HK\$0.51 per CFSG Sale Share).

The S&P Completion is conditional upon fulfillment of the Conditions set out in the paragraph headed “A. Very substantial disposal for CASH in relation to the disposal of 36.28% shareholding in CFSG to Ever Billion – The Sale and Purchase Agreement - Conditions precedent” below in this joint announcement and shall take place on the fifth (5th) Business Day following the day on which the Conditions have been fulfilled (or, where applicable, waived) (or such later date as CIGL and the Offeror may agree in writing, and in any event no later than the Long Stop Date).

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the disposal of the CFSG Sale Shares held by CIGL exceed 75%, the Disposal constitutes a very substantial disposal for CASH and is subject to the announcement, circular and shareholders’ approval requirements under Chapter 14 of the Listing Rules.

CIGL IRREVOCABLE UNDERTAKING

On 8 September 2016, CIGL and CASH issued the CIGL Irrevocable Undertaking in favour of the Offeror pursuant to which CIGL has irrevocably and unconditionally undertaken to the Offeror that (i) during the period commencing on the date of the CIGL Irrevocable Undertaking until the one hundred and eightieth (180th) day after the first anniversary of the S&P Completion Date (the “Lock-up Period”), except with the prior written consent of the Offeror, CIGL will not sell, offer to sell, contract or agree to sell, or otherwise transfer or dispose of, or agree to transfer or dispose of, either directly or indirectly, conditionally or unconditionally, any of the Remaining CFSG Shares; enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any of the Remaining CFSG Shares; or enter into any transaction with the same economic effect as any aforesaid transactions; (ii) subject to the S&P Completion, CIGL will exercise the voting rights attaching to the Remaining CFSG Shares in any general meeting of CFSG in accordance with the instruction of the Offeror during the period from the close of the Offer or the lapse of the Offer as a result of the Offer not becoming unconditional (as the case may be) until (and including) the expiry of the Lock-up Period; and (iii) subject to the S&P Completion, not to accept the Share Offer with respect to the Remaining CFSG Shares. In the event that the Offer does not become unconditional in accordance with its terms, the undertaking in paragraph (iii) above shall terminate and cease to be of any effect. CASH has irrevocably and unconditionally undertaken to and covenanted with the Offeror that it will guarantee CIGL to comply with its undertakings under the CIGL Irrevocable Undertaking. As a result, according to the CIGL Irrevocable Undertaking, subject to the S&P Completion, CIGL will become a concert party of the Offeror.

CASH GUARDIAN IRREVOCABLE UNDERTAKING

On 8 September 2016, Cash Guardian Limited, the controlling shareholder of CASH, and Mr. Kwan Pak Hoo Bankee issued the Cash Guardian Irrevocable Undertaking in favour of the Offeror pursuant to which Cash Guardian Limited and Mr. Kwan Pak Hoo Bankee have irrevocably and unconditionally undertaken and covenanted with the Offeror that they shall vote in favour of the shareholders’ resolution approving the Disposal in the CASH SGM, subject to permission of relevant regulatory authorities, if applicable.

POSSIBLE CONDITIONAL MANDATORY CASH OFFER

Subject to fulfillment (or, where applicable, waiver) of the Conditions under the Sale and Purchase Agreement and immediately following the S&P Completion, the Offeror and parties acting in concert with it will own 1,500,000,000 CFSG Shares, representing approximately 36.28% of the issued share capital of CFSG (assuming no Option would be granted and exercised before the S&P Completion). Under Rules 26.1 and 13 of the Takeovers Code, immediately following the S&P Completion, the Offeror and parties acting in concert with it will be required to make conditional mandatory cash offers for all issued CFSG Shares (other than those CFSG Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it) and for the cancellation of all outstanding Options. Nonetheless, due to the reasons stated under the paragraph headed “B. Possible conditional mandatory cash offer by Huarong International Securities Limited on behalf of Ever Billion to acquire all issued shares in the issued share capital of CFSG (other than those already owned or agreed to be acquired by Ever Billion and parties acting in concert with it) – Reasons for not to make option offer as required by Rule 13 of the Takeovers Code” below, the Offeror does not need to extend any offer to the Optionholders as required by Rule 13 of the Takeovers Code.

As at the date of this joint announcement, there are a total of (a) 4,134,359,588 CFSG Shares in issue; and (b) 338,000,000 outstanding Options, which are exercisable at the exercise price of HK\$0.315 each during the exercise period from 3 December 2015 to 31 December 2019.

Immediately following the S&P Completion, Huarong International Securities Limited will, on behalf of the Offeror, make conditional mandatory cash offer for all issued CFSG Shares (other than those CFSG Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it) on the terms to be set out in the Composite Offer Document in accordance with the Takeovers Code on the following basis:

For each CFSG Share under the Share Offer

HK\$0.51 in cash

As at the date of this joint announcement, there are 4,134,359,588 CFSG Shares in issue.

Assuming that there is no change in the issued share capital of CFSG and none of the outstanding Options is exercised prior to the close of the Offer, there would be 4,134,359,588 CFSG Shares in issue. On the basis of the Share Offer Price of HK\$0.51 per CFSG Share, the entire issued share capital of CFSG would be valued at approximately HK\$2,108,523,390.

Assuming that the 338,000,000 outstanding Options are exercised in full prior to the close of the Offer, there would be 4,472,359,588 CFSG Shares in issue. On the basis of the Share Offer Price of HK\$0.51 per CFSG Share, the entire issued share capital of CFSG would be valued at approximately HK\$2,280,903,390.

The Offeror would finance the Consideration payable under the Sale and Purchase Agreement and the cash consideration for the Offer from its internal resources and by the facilities granted by Huarong International Securities Limited (as lender) to the Offeror (as borrower) for the purpose of financing the Offer.

The making of the Offer is subject to the S&P Completion which in turn is subject to the Conditions as referred to in the paragraph headed “A. Very substantial disposal for CASH in relation to the disposal of 36.28% shareholding in CFSG to Ever Billion – The Sale and Purchase Agreement – Conditions precedent” below and therefore is a possibility only and it may or may not proceed.

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF 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 the terms of the Offer and advise the CFSG Independent Shareholders as to whether to accept the Offer or not.

The CFSG Independent Board Committee will appoint the Independent Financial Adviser to advise the terms of the Offer. Announcement will be made by CFSG upon appointment of the 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 resolution(s) in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder by the CASH Shareholders, by way of poll. No particular CASH Shareholder has material interest in the Disposal different from other CASH Shareholders and no CASH Shareholder is required to abstain from voting at the CASH SGM.

The CASH Circular containing, among other things, (i) details of the Sale and Purchase Agreement and the transactions contemplated thereunder; (ii) the relevant financial information in respect of 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 CASH will require more than fifteen (15) Business Days after publication of this joint announcement for compiling relevant information to be included in the CASH Circular, it is expected that the CASH Circular will be despatched to the CASH Shareholders on or before 31 October 2016.

AVAILABILITY OF THE COMPOSITE OFFER DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the offer document containing the terms of the Offer to the CFSG Shareholders within twenty-one (21) days after the date of this joint announcement, or such later date as the Executive may approve. Note 2 to Rule 8.2 of the Takeovers Code provides that the Executive's consent is required if the making of an offer is subject to the prior fulfillment of a pre-condition and the pre-condition cannot be fulfilled within the time period contemplated by Rule 8.2 of the Takeovers Code.

Since there is a pre-condition, namely the S&P Completion, application will be made by the Offeror for the Executive's consent under Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of the Composite Offer Document (combining the offer documents and the offeree board circular) to be issued by the Offeror and CFSG jointly in connection with the Offer within seven (7) days of the S&P Completion Date or 16 January 2017, whichever is earlier. The Composite Offer Document will set out, among other matters, details of the Offer, accompanied by the form of acceptance and transfer of the CFSG Shares in respect of the Share Offer, and incorporating the respective letters of advice from the CFSG Independent Board Committee and the Independent Financial Adviser as to whether the terms of the Offer are fair and reasonable and as to acceptance.

RESUMPTION OF TRADING IN SHARES OF CASH AND CFSG

At the request of CASH and CFSG, trading in the CASH Shares and CFSG Shares on the Stock Exchange was halted from 9:00 a.m. on 9 September 2016 pending the release of this joint announcement. CASH and CFSG have applied to the Stock Exchange for resumption of trading in their respective shares from 9:00 a.m. on 15 September 2016.

INTRODUCTION

References are made to the joint announcements of CASH and CFSG dated 21 July 2016 and 19 August 2016 in relation to the possible sale and purchase of the CFSG Sale Shares. On 8 September 2016, CIGL as seller, the Offeror as purchaser and CASH as guarantor entered into the Sale and Purchase Agreement whereby CIGL conditionally agreed to sell, and the Offeror conditionally agreed to purchase from CIGL, the CFSG Sale Shares.

A. VERY SUBSTANTIAL DISPOSAL FOR CASH IN RELATION TO THE DISPOSAL OF 36.28% SHAREHOLDING IN CFSG TO EVER BILLION

THE SALE AND PURCHASE AGREEMENT

Date

8 September 2016

Parties

- (a) CIGL as seller;
- (b) the Offeror as purchaser; and
- (c) CASH as guarantor.

CIGL holds 1,667,821,069 CFSG Shares, representing approximately 40.34% of the issued share capital of CFSG as at the date of this joint announcement.

To the best knowledge, information and belief of the CASH Directors, having made all reasonable enquiries, the Offeror is (i) a third party independent of and not connected with CFSG, CASH and their respective connected persons; and (ii) not acting in concert with CIGL or parties acting in concert with it as at the date of this joint announcement.

Subject matter

Pursuant to the Sale and Purchase Agreement, CIGL as seller conditionally agreed to sell, and the Offeror as purchaser conditionally agreed to purchase from CIGL, on the S&P Completion, 1,500,000,000 CFSG Shares (representing approximately 36.28% of the issued share capital of CFSG as at the date of this joint announcement), free from all the Encumbrances and together with all rights attaching to them after the S&P Completion Date.

Consideration

The Consideration for the CFSG Sale Shares is HK\$765,000,000 (representing the Sale Price of HK\$0.51 per CFSG Sale Share). The Consideration will be settled in cash. The Offeror and CIGL agree to adjust downward the Sale Price if CFSG issues any dividend and bonus shares from the date of the Sale and Purchase Agreement to the S&P Completion Date. The Offeror shall pay to CIGL the Consideration (after deduction of Deposit) on the S&P Completion Date.

The Consideration was determined after arm's length negotiations between CIGL and the Offeror taking into account factors including but not limited to the prevailing market price of the CFSG Shares and the audited consolidated net asset value of the CFSG Group as at 31 December 2015.

Termination Cost

Under the circumstance that (i) any of the Conditions (save for the resolution(s) approving the Sale and Purchase Agreement and the transactions contemplated therein is not passed by the CASH Shareholders at the CASH SGM) is not fulfilled due to the default of the Seller Parties for any reason, CIGL shall refund the Deposit and pay an amount equal to HK\$5,000,000 as termination cost to the Offeror within three (3) Business Days upon written request by the Offeror; or (ii) any of the Conditions is not fulfilled due to the default of the Offeror, CIGL shall forfeit and retain HK\$5,000,000 from the Deposit as termination cost and refund the balance of Deposit within three (3) Business Days upon written request by the Offeror.

Under the circumstance that non-fulfillment of the Conditions is attributable to both the Seller Parties and the Offeror, CIGL shall refund the Deposit to the Offeror within three (3) Business Days upon written request by the Offeror. The Offeror and CIGL agree, on an arm's length basis, to reach a separate agreement regarding termination cost.

Under the circumstance that the Conditions have been fulfilled or waived by the Offeror, but (i) if the S&P Completion fails to occur due to the default of the Offeror for any reason, the Deposit can be forfeited and retained by CIGL as liquidated damages; or (ii) if the S&P Completion fails to occur due to the default of the Seller Parties for any reason, CIGL shall refund the Deposit and pay an amount equal to HK\$50,000,000 as liquidated damages to the Offeror within three (3) Business Days upon written request by the Offeror.

Upon receipt of the termination cost by the non-defaulting Party, the Sale and Purchase Agreement shall cease to have any effect (save for clauses continuing in effect as stipulated in the Sale and Purchase Agreement) and the Parties shall not have any obligations and liabilities thereunder save for any antecedent breaches of the terms thereof.

Conditions precedent

The S&P Completion is conditional upon the following Conditions being fulfilled or waived (as the case may be) in full:

- (a) obtaining the approval from the SFC (which shall be unconditional, or shall attach to it only customary conditions) allowing the Offeror and/or its shareholder(s) to be substantial shareholders of CFSG and its licensed subsidiaries in accordance with the requirements under the SFO;
- (b) the licenses held by the CFSG Group for the regulated activities under the SFO not having been revoked, terminated or suspended on the S&P Completion Date, except that the revocation, termination or suspension is caused by normal personnel changes, any actions of the Offeror or any actions or inactions under the instruction of the Offeror;
- (c) CIGL having obtained all requisite approvals pursuant to its articles of associations and under applicable laws and regulations from its board of directors, shareholders and/or other regulatory authorities (if required) as well as all requisite consents, approvals, confirmations or waivers from third parties according to the terms of the contractual arrangements therewith (if required) in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder;
- (d) the Offeror having obtained an irrevocable undertaking from the controlling shareholder of CASH to vote in favour of the shareholders' resolution approving the Disposal for CASH at the CASH SGM (subject to permission of the regulatory authority);
- (e) CASH having obtained all requisite approvals pursuant to its bye-laws and under the Listing Rules, the Takeovers Code and/or other laws and regulations from its board of directors, shareholders and/or independent shareholders, the Stock Exchange, the SFC and/or other regulatory authorities as well as all requisite consents, approvals, confirmations or waivers from third parties according to the terms of the contractual arrangements therewith in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder;
- (f) CFSG having obtained all requisite approvals pursuant to its bye-laws and under the Listing Rules, the Takeovers Code and/or other laws and regulations from its board of directors, shareholders and/or independent shareholders, the Stock Exchange, the SFC and/or other regulatory authorities as well as all requisite consents, approvals, confirmations or waivers from third parties according to the terms of the contractual arrangements therewith in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder;
- (g) CFSG having maintained the public float of not less than 25% in accordance with the Listing Rules and its listing status on the Stock Exchange from the date of the Sale and Purchase Agreement to the S&P Completion Date;

- (h) save for suspension in trading in the CFSG Shares for not more than ten (10) consecutive trading days or suspension relating to the issue of any announcement(s) or documents to be despatched to its shareholders regarding the Sale and Purchase Agreement and the transactions contemplated thereunder, the CFSG Shares remaining listed on the Stock Exchange; on the S&P Completion Date, there being no indication from the Stock Exchange and/or the SFC in relation to delisting of the CFSG Shares on the Stock Exchange or objection to the listing status of the CFSG Shares;
- (i) there being no material adverse change to the business, financial, operations or assets of the CFSG Group from the date of the Sale and Purchase Agreement to the S&P Completion Date, except for material adverse change to the business, financial, operations or assets of the CFSG Group caused by force majeure events;
- (j) there being no special deals as defined under Rule 25 of the Takeovers Code and frustrating actions as defined under Rule 4 of the Takeovers Code in relation to the transactions contemplated under the Sale and Purchase Agreement;
- (k) the representations, warranties and undertakings given by CIGL in the Sale and Purchase Agreement remaining true, accurate and not misleading in all material respects up to the S&P Completion Date and there being no breach of such representations, warranties and undertakings;
- (l) there being no ongoing, unsettled or threatened legal proceedings against CIGL which forbid, restrict, or impose material conditions or restrictions on or in any way challenge the transactions contemplated under the Sale and Purchase Agreement; and
- (m) CIGL having procured Optionholders in respect of all outstanding Options to deliver executed Optionholders Irrevocable Undertakings pursuant to the terms of the Sale and Purchase Agreement.

The Offeror may fully or partially waive, conditionally or unconditionally, any of the Conditions (except the Conditions in items (c), (d), (e) and (f) above which cannot be waived).

If the Conditions in items (a), (c), (d), (e), (f) and (m) set out above have not been fulfilled or waived (as the case may be) by the Long Stop Date (or other Conditions not being fulfilled or waived by the Offeror on or before the S&P Completion Date), the Parties shall fulfill their duties in accordance with the agreed terms as described under the paragraph headed "A. Very substantial disposal for CASH in relation to the disposal of 36.28% shareholding in CFSG to Ever Billion — The Sale and Purchase Agreement — Termination Cost" above.

In respect of the Condition in item (e), save for the approvals from the shareholders of CASH to be obtained at the CASH SGM, CASH has obtained all the requisite approvals, consents, confirmations or waivers as of the date of this joint announcement.

In respect of Condition in item (f), CFSG has obtained all the requisite approvals, consents, confirmations or waivers as of the date of this joint announcement.

The Optionholders Irrevocable Undertakings

Pursuant to the Sale and Purchase Agreement, CIGL will procure to deliver to the Offeror as soon as practicable time but no later than one (1) Business Day after the publication of this joint announcement:

- (a) the Optionholders Irrevocable Undertakings executed by Group A Optionholders for a total of 108,500,000 Options, to the effect that, they will (i) not exercise, dispose or otherwise transfer the Options held by them prior to close or lapse of the Offer or make any of the Options held by them or any CFSG Shares issued as a result of the exercise of the Options available for acceptance under any option offer or the Offer; and (ii) not accept any offer for the Options held by them under the Takeovers Code; and

- (b) the Optionholders Irrevocable Undertakings executed by Group B Optionholders for a total of 229,500,000 Options, to the effect that, they will (i) pay full consideration to CFSG in respect of exercising of their Options to subscribe for CFSG Shares if they choose to exercise their Options prior to close or lapse of the Offer, and not accept the Share Offer for the CFSG Shares allotted to them upon exercise of their Options during the offer period and can only transfer such CFSG Shares after the close or lapse of the Share Offer; (ii) not accept any offer for the Options held by them under the Takeovers Code if they choose not to exercise their Options prior to close or lapse of the Offer or make any of the Options held by them available for acceptance under any option offer or the Offer; and (iii) save for any exercise of the Options but subject to sub-paragraph (i) above, not dispose or otherwise transfer their Options prior to close or lapse of the Offer.

S&P Completion

The S&P Completion is to take place on the fifth (5th) Business Day following the day on which the Conditions in items (a), (c), (d), (e), (f) and (m) have been fulfilled or waived by the Offer (as the case may be) (while the Conditions in items (b), (g), (h), (i), (j), (k) and (l) are also satisfied or waived by the Offeror on that date), or such other date as the Parties may agree in writing, and in any event, not later than the Long Stop Date.

Guarantee

Pursuant to the Sale and Purchase Agreement, CASH as guarantor of CIGL has irrevocably and unconditionally guaranteed the payment obligations of CIGL under the Sale and Purchase Agreement. If CIGL fails to make any payment to the Offeror pursuant to the Sale and Purchase Agreement, CASH shall immediately on demand and without deduction or withholding pay such amount as if it were the principal obligor.

Specific Undertakings

Each of CIGL and the Offeror has provided certain representations, warranties and undertakings to the other, including the following:

- (a) CIGL has undertaken to the Offeror that the net asset value of the CFSG Group (after certain adjustment) as shown in the Completion Account shall not be less than HK\$562,899,000 (i.e. the net asset value of the CFSG Group as at 30 June 2016 after deduction of all reasonable fees and costs incurred by CFSG in connection with the transactions contemplated under the Sale and Purchase Agreement) (the “**Guaranteed Minimum NAV**”).

In the event that the net asset value of the CFSG Group as shown in the Completion Account (the “**Completion NAV**”) is less than the Guaranteed Minimum NAV, CIGL shall pay to CFSG 100% of the shortfall amount representing the difference between the Guaranteed Minimum NAV and the Completion NAV (the “**Shortfall**”) within three (3) Business Days upon written request by the Offeror. CIGL agrees to issue the Completion Account not later than forty-five (45) days from the Completion Account Date.

- (b) CIGL has undertaken to the Offeror that, CIGL shall make all necessary application, reporting and payment (if applicable) to the relevant tax authorities in the PRC in relation to its disposal of CFSG Sale Shares to the Offeror, and notify the Offeror in writing in respect of its communication with relevant tax authorities and provide the Offeror with proof of filings with and payment (if applicable) to the relevant tax authorities.
- (c) CIGL has undertaken to the Offeror that CIGL shall (i) procure relevant obligors to pay to the CFSG Group within one-hundred-and-eighty(180) days following the S&P Completion Date certain accounts receivables of approximately RMB15.8 million (equivalent of HK\$18.4 million) (the “**Receivables**”), and (ii) failing the foregoing, pay an amount equal to the Receivables to the CFSG Group within three (3) Business Days upon written request by the Offeror. The Offeror agrees to procure the CFSG Group to refund the amount equal to the Receivables to CIGL if the Receivables are paid by relevant obligors to the CFSG Group after one-hundred-and-eighty(180) days following the S&P Completion Date.

- (d) CIGL has undertaken to the Offeror that on the S&P Completion Date, CIGL will procure the CFSG Group to settle all amounts due from and payable to connected persons (as defined under the Listing Rules) of CFSG.
- (e) CIGL has undertaken to procure Confident Profits to refrain from altering the terms of current brokerage service agreement with Celestial Securities Limited and Celestial Commodities Limited (being wholly-owned subsidiaries of CFSG) or terminating such agreement early before its expiration.
- (f) CIGL has undertaken to the Offeror, on a reasonable efforts basis, to procure the CFSG Group to employ a principal with sponsor qualification before the S&P Completion Date. CIGL has also undertaken to indemnify the Offeror in full any direct or indirect losses incurred by the Offeror arising from suspension or termination of sponsor business, save for as a result of any actions of the Offeror or any actions or inactions under the instruction of the Offeror. In addition, CIGL has undertaken to the Offeror, on a reasonable efforts basis, to procure the CFSG Group to maintain stability of the licensed responsible officers from the date of the Sale and Purchase Agreement to the S&P Completion Date and notify the Offeror as soon as possible if any licensed responsible officer resigns.
- (g) CIGL has undertaken to the Offeror that, from the date of the Sale and Purchase Agreement to the S&P Completion Date, to the best knowledge of CIGL after due and careful enquiries, CFSG Group is not subject to any SFC investigations and there does not exist any circumstances which may lead to such investigations. CIGL has also undertaken to the Offeror to indemnify in full any direct losses incurred by the Offeror arising from SFC investigations and enquiries in respect of any members of the CFSG Group before the S&P Completion Date.
- (h) CIGL has undertaken to the Offeror to procure the CFSG Group to, on a reasonable efforts basis, cooperate with the Offeror for the purpose of obtaining the approval from the SFC (which shall be unconditional, or shall attach to it only customary conditions) allowing the Offeror and/or its shareholder(s) to be substantial shareholders of CFSG and its licensed subsidiaries in accordance with the requirements under the SFO.
- (i) CIGL has undertaken to the Offeror to procure CFSG from the date of the Sale and Purchase Agreement to the S&P Completion Date, unless with prior consent from the Offeror, not to dilute the shareholding of the Offeror in CFSG by issuing additional CFSG Shares (other than pursuant to exercise of Options), repurchasing, subdividing or consolidating the CFSG Shares, issuing convertible securities or warrants to subscribe for CFSG Shares.
- (j) CIGL has undertaken to the Offeror, on a reasonable efforts basis, to procure licensed responsible officers and core management team to remain employed with the CFSG Group for a period covering at least 365 days after the S&P Completion Date.
- (k) CIGL has undertaken to the Offeror that, for the period of thirty (30) days after the S&P Completion Date or the effective date of the appointment of the CFSG Directors nominated by the Offeror (whichever is earlier), the money lender's licence and the licences held by the CFSG Group for the regulated activities shall not have been revoked, terminated or suspended, save for any personnel changes, any actions of the Offeror or any actions or inactions under the instruction of the Offeror which may lead to a revocation, termination or temporary suspension in the licenses granted to the CFSG Group.
- (l) CIGL has undertaken to the Offeror that, throughout 365 days after the S&P Completion Date, it and its close associates (as defined under the Listing Rules) would not (i) directly or indirectly, carry on, participate or be interested or engaged in or acquire or hold (in each case whether as a shareholder, partner, agent, employee or otherwise) any business in Hong Kong which is or may be in competition with the current businesses of the CFSG Group (including but not limited to the regulated activities under the SFO), save for the Remaining CFSG Shares and the ongoing businesses of CASH; and (ii) solicit, entice away or endeavour to solicit or entice away any employee of the CFSG Group and/or to be employed by CIGL and/or their associates; directly or indirectly, solicit or entice away any person who is or has been a customer of the CFSG Group.

- (m) CIGL has undertaken to the Offeror that, from the date of the Sale and Purchase Agreement and until the S&P Completion Date, it shall, on a reasonable efforts basis, provide all necessary information or documents to CFSG, the Stock Exchange and the SFC as may be required pursuant to the Listing Rules, the Takeovers Code and relevant laws and regulations. CIGL has also undertaken to execute all applications and documents as reasonably required by the Stock Exchange, the SFC and/or other regulatory authorities.
- (n) CIGL has undertaken to indemnify the Offeror in full for any losses arising from CFSG Group's tax liabilities on or before the S&P Completion Date.
- (o) CIGL has undertaken to assist the Offeror, as soon as possible after the S&P Completion Date, in obtaining consent, confirmation, or waiver from the relevant banks, financial institutions, financiers and other third parties which currently provide financing to the CFSG Group or entering into supplemental agreements, in respect of the change of guarantor, security, controlling shareholders, chairman of the relevant board (if applicable) or as otherwise required by the transactions contemplated under the Sale and Purchase Agreement.
- (p) CIGL has undertaken to the Offeror that, within 365 days after the S&P Completion Date or until the CFSG Group has completed the relevant change of names (whichever is earlier), the CFSG Group shall be entitled the right to use the existing domain names and trademarks as specified under the Sale and Purchase Agreement.
- (q) CIGL has undertaken to the Offeror to procure the CFSG Group, on or before the S&P Completion Date, to re-execute certain contracts with the relevant products and services providers in respect of the human resources administration system, information technology systems and insurances as specified under the Sale and Purchase Agreement and reasonably assist CFSG Group to obtain reasonable commercial terms under such contracts.
- (r) CIGL has undertaken to the Offeror, no later than five (5) Business Days prior to the S&P Completion Date, to deliver to the Offeror a written confirmation confirming that the bases of the facts contained in due diligence reports issued by professional advisers of the Offeror are true and accurate.
- (s) CIGL has undertaken to indemnify the Offeror in full for any losses arising from the CFSG Group's any misconducts in carrying out operations, non-compliance and any material litigation, administrative procedure, arbitration or dispute before the S&P Completion Date, save for those already disclosed to the Offeror.
- (t) CIGL has undertaken to the Offeror that, from the date of the Sale and Purchase Agreement and until the S&P Completion Date, CIGL shall procure that, unless prior consent of the Offeror is obtained, no remuneration adjustment or bonus policy adjustment for the employees of the CFSG Group.
- (u) The Offeror has undertaken to CIGL that it shall, on a reasonable efforts basis, procure members of the CFSG Group (for those whose names contain "CASH", "時富", "CELESTIAL" or similar characters only) to change their English or Chinese names within 365 days after the S&P Completion Date. The new names should not contain "CASH", "時富", "CELESTIAL" or similar characters.
- (v) The Offeror has undertaken to CIGL that it shall, on a reasonable efforts basis, obtain and procure its shareholders to obtain the approval from the SFC (which shall be unconditional, or shall attach to it only customary conditions) allowing the Offeror and/or its shareholder(s) to be substantial shareholders of CFSG and its licensed subsidiaries in accordance with the requirements under the SFO.
- (w) The Offeror has undertaken to CIGL that, from the date of the Sale and Purchase Agreement and until the S&P Completion Date, it shall, on a reasonable efforts basis, provide all necessary information or documents to CFSG, the Stock Exchange and the SFC as may be required pursuant to the Listing Rules, the Takeovers Code and relevant laws and regulations. The Offeror has also undertaken to execute all applications and documents as reasonably required by the Stock Exchange, the SFC and/or other regulatory authorities.

- (x) The Offeror has undertaken to CIGL that, it will not communicate with the relevant PRC tax authorities for any matters contemplated under the Sale and Purchase Agreement without the prior notice to CIGL.
- (y) The Offeror has undertaken to CIGL that, on a reasonable efforts basis, it shall maintain stability of the operating team and management structure of CFSG as permitted by relevant laws and regulations and will not unreasonably lay off employees and reduce salaries within 365 days after the S&P Completion Date.

The maximum indemnification liability of CIGL under the Sale and Purchase Agreement is HK\$765,000,000 or equal to the adjusted consideration as agreed by the Parties pursuant to the terms of the Sale and Purchase Agreement. Nonetheless, CIGL will not be liable for a single indemnification event resulting in a loss not exceeding HK\$200,000.

CIGL IRREVOCABLE UNDERTAKING

On 8 September 2016, CIGL and CASH issued the CIGL Irrevocable Undertaking in favour of the Offeror pursuant to which CIGL has irrevocably and unconditionally undertaken to the Offeror that (i) during the period commencing on the date of the CIGL Irrevocable Undertaking until the one hundred and eightieth (180th) day after the first anniversary of the S&P Completion Date (the "Lock-up Period"), except with the prior written consent of the Offeror, CIGL will not sell, offer to sell, contract or agree to sell, or otherwise transfer or dispose of, or agree to transfer or dispose of, either directly or indirectly, conditionally or unconditionally, any of the Remaining CFSG Shares; enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any of the Remaining CFSG Shares; or enter into any transaction with the same economic effect as any aforesaid transactions; (ii) subject to the S&P Completion, CIGL will exercise the voting rights attaching to the Remaining CFSG Shares in any general meeting of CFSG in accordance with the instruction of the Offeror during the period from the close of the Offer or the lapse of the Offer as a result of the Offer not becoming unconditional (as the case may be) until (and including) the expiry of the Lock-up Period; and (iii) subject to the S&P Completion, not to accept the Share Offer with respect to the Remaining CFSG Shares. In the event that the Offer does not become unconditional in accordance with its terms, the undertaking in paragraph (iii) above shall terminate and cease to be of any effect. CASH has irrevocably and unconditionally undertaken to and covenanted with the Offeror that it will guarantee CIGL to comply with its undertakings under the CIGL Irrevocable Undertaking. As a result, according to the CIGL Irrevocable Undertaking, subject to the S&P Completion, CIGL will become a concert party of the Offeror.

CASH GUARDIAN IRREVOCABLE UNDERTAKING

On 8 September 2016, Cash Guardian Limited, the controlling shareholder of CASH, and Mr. Kwan Pak Hoo Bankee issued the Cash Guardian Irrevocable Undertaking in favour of the Offeror pursuant to which Cash Guardian Limited and Mr. Kwan Pak Hoo Bankee have irrevocably and unconditionally undertaken and covenanted with the Offeror that they shall vote in favour of the shareholders' resolution approving the Disposal, subject to permission of relevant regulatory authorities, if applicable.

REASONS FOR THE DISPOSAL OF THE CFSG SHARES HELD BY CIGL FOR CASH

The Sale Price of the CFSG Sale Shares was arrived at after arm's length negotiations, with reference to the prevailing market price of the CFSG Shares after taking into account the audited consolidated net asset value of the CFSG Group as at 31 December 2015. The Disposal enables CASH to realise a large portion of its share investment in CFSG with an expected gain of approximately HK\$590,487,000, which is calculated based on the gross proceeds of approximately HK\$765,000,000 and the remaining interests in CFSG of approximately HK\$85,589,000 (based on the closing price of CFSG on the Last Trading Day) less the carrying value of assets and liabilities attributable to the CFSG Group as at 30 June 2016 of approximately HK\$253,102,000 and the estimated related costs of approximately HK\$7,000,000.

CASH plans to continue to operate the remaining businesses and in particular further expanding and developing the retail management business and algorithmic trading business. The net proceeds to be received from the Disposal of approximately HK\$758,000,000 will be used as to around 70% of approximately HK\$530.6 million to develop and expand the retail management business and as to around 30% of approximately HK\$227.4 million for algorithmic trading business of CASH Group as well as for general working capital to strengthen the capital base of CASH Group. Out of the 70% of net proceeds for retail management business, it is intended that around HK\$450 million will be applied for repayment of bank loans and other borrowings and payables arising from the business of retail management while the remaining balance of around HK\$80.6 million will be used for capital expenditure for sustaining growth of retail management business, including but not limited to, the expansion of network of Pricerite's chain stores, renovation and layout revamp of existing Pricerite's chain stores, product development in home furnishing section, enhancement of logistics facilities in the PRC and Hong Kong, expansion and development of online retailing business and upgrade of retail information technology system etc. The algorithmic trading business is still in its investment and development stage and will require sufficient working capital for its development and expansion, mainly in aspects of research and development and reinforcement of technology competitive advantage. Save for the Disposal, as at the date of this joint announcement, CASH does not have any intention or negotiation to enter into any agreement, arrangement or understanding regarding any potential acquisition(s)/disposal(s).

In view of the prevalent unstable economy and financial market conditions, the expected realised gain, the purpose of use of proceeds for development and expansion of the existing businesses and for general working capital purpose, the CASH Board considers that the Disposal is in the interests of CASH and CASH Shareholders as a whole.

The CASH Board considers that the Disposal, the Sale Price and the terms of which have been determined on an arm's length basis, are fair and reasonable and in the best interest of CASH Shareholders as a whole.

Upon the S&P Completion, the shareholding interest in CFSG held by CASH will reduce from approximately 40.34% to 4.06%. CFSG will cease to be a subsidiary of CASH after the Disposal.

IMPLICATIONS OF THE DISPOSAL OF THE CFSG SHARES HELD BY CIGL UNDER THE LISTING RULES

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the Disposal pursuant to the Sale and Purchase Agreement exceed 75%, the Disposal constitutes a very substantial disposal for CASH and is subject to the announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules. No particular CASH Shareholder has material interest in the Disposal different from other CASH Shareholders and no CASH Shareholder is required to abstain from voting at the CASH SGM.

INFORMATION ON CFSG AND THE CFSG GROUP

The financial service businesses of the CFSG Group consist of financial service businesses which comprise (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) provision of margin financing and money lending services, and (d) provision of corporate finance services. For additional information, please visit www.cashon-line.com.

Based on the audited accounts of CFSG, the net profits (before and after taxation and extraordinary items) for the financial year ended 31 December 2014 were approximately HK\$71.0 million and approximately HK\$54.3 million respectively, and the audited net asset value as at 31 December 2014 was approximately HK\$596.3 million.

Based on the audited accounts of CFSG, the net profits (before and after taxation and extraordinary items) for the financial year ended 31 December 2015 were approximately HK\$11.8 million and approximately HK\$13.4 million respectively. The audited net asset value as at 31 December 2015 was approximately HK\$595.6 million. The unaudited net asset value as at 30 June 2016 was approximately HK\$562.8 million.

INFORMATION ON CIGL AND CASH

CIGL, a company incorporated in the British Virgin Islands with limited liability, is a wholly-owned subsidiary of CASH. Its principal activity is investment holding. As at the date of this joint announcement, it holds 1,667,821,069 CFSG Shares (representing approximately 40.34% of the issued CFSG Shares). 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; (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.

INFORMATION ON THE OFFEROR

Please refer to the paragraph headed “B. Possible conditional mandatory cash offer by Huarong International Securities Limited on behalf of Ever Billion to acquire all issued shares in the issued share capital of CFSG (other than those already owned or agreed to be acquired by Ever Billion and parties acting in concert with it) – Information on the Offeror” below for details of the Offeror.

B. POSSIBLE CONDITIONAL MANDATORY CASH OFFER BY HUARONG INTERNATIONAL SECURITIES LIMITED ON BEHALF OF EVER BILLION TO ACQUIRE ALL ISSUED SHARES IN THE ISSUED SHARE CAPITAL OF CFSG (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY EVER BILLION AND PARTIES ACTING IN CONCERT WITH IT)

Subject to the fulfillment (or, where applicable, waiver) of the Conditions under the Sale and Purchase Agreement and immediately following the S&P Completion, the Offeror and parties acting in concert with it will own 1,500,000,000 CFSG Shares, representing approximately 36.28% of the issued share capital of CFSG (assuming no Option would be granted and exercised before the S&P Completion).

Under Rules 26.1 and 13 of the Takeovers Code, immediately following the S&P Completion, the Offeror and parties acting in concert with it will be required to make conditional mandatory cash offer for all issued CFSG Shares (other than those CFSG Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it) and for the cancellation of all outstanding Options. The Offer will be subject to the Offer Conditions.

As at the date of this joint announcement, there are a total of (a) 4,134,359,588 CFSG Shares in issue; and (b) 338,000,000 outstanding Options, which are exercisable at the exercise price of HK\$0.315 each during the exercise period from 3 December 2015 to 31 December 2019. Save for the outstanding Options, there are no outstanding warrants, options, derivatives or securities convertible into CFSG Shares and CFSG has not entered into any agreement for the issue of such securities, options, derivatives or warrants of CFSG as at the date of this joint announcement. Save for the Offeror’s interest in the CFSG Sale Shares pursuant to the Sale and Purchase Agreement and the Remaining CFSG Shares pursuant to the CIGL Irrevocable Undertaking executed by CIGL and the Optionholders Irrevocable Undertakings to be executed by the Optionholders in respect of all outstanding Options, the Offeror and parties acting in concert with it do not own, have control or direction over or hold any voting rights or rights over the CFSG Shares or convertible securities, warrants or options of CFSG as at the date of this joint announcement.

Taking into account (i) the 4,134,359,588 CFSG Shares to be in issue immediately following the S&P Completion; (ii) the 1,500,000,000 CFSG Shares to be held by the Offeror immediately following the S&P Completion; and (iii) the 167,821,069 CFSG Remaining Shares to be held by CIGL which are subject to the CIGL Irrevocable Undertaking, there are a total of 2,466,538,519 CFSG Shares subject to the Share Offer.

REASONS FOR NOT TO MAKE OPTION OFFER AS REQUIRED BY RULE 13 OF THE TAKEOVERS CODE

Pursuant to the Sale and Purchase Agreement, CIGL will procure to deliver to the Offeror as soon as practicable time but no later than one (1) Business Day after the publication of this joint announcement:

- (a) The Optionholders Irrevocable Undertakings executed by Group A Optionholders for a total of 108,500,000 Options, to the effect that, they will (i) not exercise, dispose or otherwise transfer the Options held by them prior to close or lapse of the Offer or make any of the Options held by them or any CFSG Shares issued as a result of the exercise of the Options available for acceptance under any option offer or the Offer; and (ii) not accept any offer for the Options held by them under the Takeovers Code; and
- (b) The Optionholders Irrevocable Undertakings executed by Group B Optionholders for a total of 229,500,000 Options, to the effect that, they will (i) pay full consideration to CFSG in respect of exercising of their Options to subscribe for CFSG Shares if they choose to exercise their Options prior to close or lapse of the Offer, and not accept the Share Offer for the CFSG Shares allotted to them upon exercise of their Options during the offer period and can only transfer such CFSG Shares after the close or lapse of the Share Offer; (ii) not accept any offer for the Options held by them under the Takeovers Code if they choose not to exercise their Options prior to close or lapse of the Offer or make any of the Options held by them available for acceptance under any option offer or the Offer; and (iii) save for any exercise of the Options but subject to sub-paragraph (i) above, not dispose or otherwise transfer their Options prior to close or lapse of the Offer.

Taking into account that the obtaining of Optionholders Irrevocable Undertakings as one of the Conditions, all Optionholders will either (a) not exercise the Options held by them prior to close or lapse of the Offer and not accept any offer for the Options held by them under the Takeovers Code or (b) exercise their Options prior to close or lapse of the Offer and not to accept the Share Offer for the CFSG Shares allotted to them upon exercise of their Options during the offer period. Accordingly, no outstanding Options or CFSG Shares allotted upon exercise of the outstanding Options will be subject to option offer as required by Rule 13 of the Takeovers Code or the Offer. Therefore, the Offeror does not need to extend any offer to the Optionholders as required by Rule 13 of the Takeovers Code.

Principal terms of the Offer

Immediately following the S&P Completion, Huarong International Securities Limited will, on behalf of the Offeror, make conditional mandatory cash offer for all issued CFSG Shares (other than those CFSG Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it) on the terms to be set out in the Composite Offer Document in accordance with the Takeovers Code on following basis:

The Share Offer

For each CFSG Share under the Share Offer HK\$0.51 in cash

The Share Offer Price of HK\$0.51 for each CFSG Share under the Share Offer is equivalent to the purchase price per CFSG Sale Share under the Sale and Purchase Agreement.

Conditions of the Offer

The making of the Offer is subject to the S&P Completion which in turn is subject to the Conditions as referred to in the paragraph headed "A. Very substantial disposal for CASH in relation to the disposal of 36.28% shareholding in CFSG to Ever Billion – The Sale and Purchase Agreement – Conditions precedent" above and therefore is a possibility only and it may or may not proceed.

When and if the Offer proceeds, the Offer will be conditional upon the Offeror having received valid acceptances of the Share Offer which, together with the CFSG Shares already owned or agreed to be acquired by the Offeror and the parties acting in concert with it prior to the close of the Offer, will result in the Offeror and the parties acting in concert with it holding more than 50% of the voting rights of CFSG.

The Offeror shall issue an announcement in relation to the revision, extension or lapse of the Offer or the fulfilment of the Offer Conditions in accordance with the Takeovers Code and the Listing Rules. The latest time on which the Offeror can declare the Offer unconditional as to acceptance is 7:00 p.m. on the sixtieth (60th) day after the posting of the Composite Offer Document (or such later date to which the Executive may consent).

Comparison of value

The Share Offer Price of HK\$0.51 for each CFSG Share under the Share Offer represents:

- (a) a premium of approximately 22.9% over the closing price of HK\$0.415 per CFSG Share as quoted on the Stock Exchange on 19 July 2016, being the last trading day preceding the date of the joint announcement issued by CASH and CFSG in relation to the Framework Agreement;
- (b) the closing price of HK\$0.51 per CFSG Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a premium of approximately 2.0% over the average of the closing prices of CFSG Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day, being HK\$0.50 per CFSG Share;
- (d) a premium of approximately 8.9% over the average of the closing prices of the CFSG Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day, being HK\$0.4685 per CFSG Share;
- (e) a premium of approximately 19.0% over the average of the closing prices of the CFSG Share as quoted on the Stock Exchange for the thirty (30) consecutive trading days up to and including the Last Trading Day, being HK\$0.4287 per CFSG Share;
- (f) a premium of approximately 254.2% over the audited consolidated net asset value attributable to the CFSG Shareholders of approximately HK\$0.144 per CFSG Share as at 31 December 2015 (based on the number of issued CFSG Shares as at 31 December 2015); and
- (g) a premium of approximately 275.0% over the unaudited consolidated net asset value attributable to the CFSG Shareholders of approximately HK\$0.136 per CFSG Share as at 30 June 2016 (based on the number of the issued CFSG Shares as at 30 June 2016).

Highest and lowest CFSG Share prices

The highest and lowest closing prices of the CFSG Shares as quoted on the Stock Exchange during the six-month period immediately preceding 21 July 2016 (being the date of commencement of the offer period pursuant to Rule 3.7 of the Takeovers Code) and up to and including the Last Trading Day were HK\$0.52 per CFSG Share on 6 September 2016 and HK\$0.25 per CFSG Share on 27 and 28 January 2016, and 12 February 2016, respectively.

Total value of the Offer

As at the date of this joint announcement, there are 4,134,359,588 CFSG Shares in issue. Assuming that there is no change in the issued share capital of CFSG and none of the outstanding Options is exercised prior to the close of the Offer, there would be 4,134,359,588 CFSG Shares in issue. On the basis of the Share Offer Price at HK\$0.51 per CFSG Share, the entire issued share capital of CFSG would be valued at approximately HK\$2,108,523,390.

Assuming that the 338,000,000 outstanding Options are exercised in full prior to the close of the Offer, there would be 4,472,359,588 CFSG Shares in issue. On the basis of the Share Offer Price of HK\$0.51 per CFSG Share, the entire issued share capital of CFSG would be valued at approximately HK\$2,280,903,390.

Taking into account that the obtaining of Optionholders Irrevocable Undertakings as one of the Conditions, all Optionholders will either (a) not exercise the Options held by them prior to close or lapse of the Offer and not accept any offer for the Options held by them under the Takeovers Code or (b) exercise their Options prior to close or lapse of the Offer and not to accept the Share Offer for the CFSG Shares allotted to them upon exercise of their Options during the offer period. Accordingly, no outstanding Options or CFSG Shares allotted upon exercise of the outstanding Options will be subject to option offer as required by Rule 13 of the Takeovers Code or the Offer. Therefore, the Offeror does not need to extend any offer to the Optionholders as required by Rule 13 of the Takeovers Code.

Taking into account (i) the 4,134,359,588 CFSG Shares to be in issue immediately following the S&P Completion; (ii) the 1,500,000,000 CFSG Shares to be held by the Offeror immediately following the S&P Completion; and (iii) the 167,821,069 Remaining CFSG Shares to be held by CIGL which are subject to the CIGL Irrevocable Undertaking, there are a total of 2,466,538,519 CFSG Shares subject to the Share Offer. Based on the above, the maximum amount of cash payable by the Offeror in respect of the Offers is approximately HK\$1,257,934,645.

Financial resources available for the Offer

The Offeror would finance the Consideration payable under the Sale and Purchase Agreement and the cash consideration for the Offer from its internal resources and by the facilities granted by Huarong International Securities Limited (as lender) to the Offeror (as borrower) for the purpose of financing the Offer.

Huarong International Capital Limited, Guotai Junan Capital Limited, China Everbright Capital Limited and China Securities (International) Corporate Finance Company Limited, the joint financial advisers to the Offeror in respect of the Offer, are satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

Effect of accepting the Offer

By validly accepting the Share Offer, CFSG Shareholders would sell their tendered CFSG Shares to the Offeror free from all the Encumbrances and together with all rights attaching to them, including the rights to receive in full all dividends and other distributions, if any, declared, made or paid by reference to a record date on or after the date on which the Share Offer is made, that is, the date of despatch of the Composite Offer Document.

Acceptance of the Offer would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code.

Payment

Payment in cash in respect of acceptance of the Offer would be made as soon as possible but in any event within seven (7) business days (as defined under the Takeovers Code) of the date on which the Offer becomes, or is declared unconditional and the date on which the duly completed acceptance of the Offer and the relevant documents of title of the CFSG Shares or the Options (as the case may be) in respect of such acceptance are received by the Offeror to render each such acceptance of any of the Share Offer complete and valid.

In the event that the Offer cannot be declared unconditional, the Offer will lapse and the Offeror shall as soon as possible but in any event within ten (10) days thereafter return the CFSG Share

certificates and/or any other documents of title lodged with the form of acceptance by ordinary post to the CFSG Shareholders who have accepted the Offer at their own risks.

Stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptance of the Share Offer amounting to 0.1% of the amount payable in respect of the relevant acceptance or if higher, the market value of the CFSG Shares, would be deducted from the amount payable to CFSG Shareholders who accept the Share Offer. The Offeror would bear its own portion of buyer's Hong Kong ad valorem stamp duty at the rate of 0.1% of the amount payable in respect of the relevant acceptance or if higher, the market value of the CFSG Shares, and would be responsible to account to the Stamp Office of Hong Kong for stamp duty payable for the sale and purchase of the CFSG Shares which are validly tendered for acceptance under the Share Offer.

Overseas Shareholders

As the Share Offer to persons not residing in Hong Kong might be affected by the laws of the relevant jurisdiction in which they are resident, overseas CFSG Shareholders whose addresses as shown in the registers of members of CFSG are outside Hong Kong and beneficial owners of the CFSG Shares who are citizens, residents or nationals of a jurisdiction outside Hong Kong should obtain information about and observe any applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Share Offer. It is the responsibility of the overseas CFSG Shareholders who wish to accept the Share Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdictions).

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

Taxation advice

CFSG Shareholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Offer. The Offeror accepts no responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Other arrangements

For the six months immediately prior to 21 July 2016, i.e. the date of the joint announcement of CASH and CFSG in relation to the Framework Agreement up to the date of this joint announcement, save for the entering into of the Framework Agreement, the Sale and Purchase Agreement, the CIGL Irrevocable Undertaking and the facility agreement between Huarong International Securities Limited and the Offeror, the Offeror and parties acting in concert with it have not dealt in nor do they have any CFSG Shares, options, derivatives, warrants or other securities convertible into CFSG Shares.

The Offeror confirms that, as at the date of this joint announcement:

- (a) save for the Offeror's interest in the CFSG Sale Shares pursuant to the Sale and Purchase Agreement and the Remaining CFSG Shares pursuant to the CIGL Irrevocable Undertaking and the Optionholders Irrevocable Undertakings to be executed by Optionholders in respect of all outstanding Options, none of the Offeror, its ultimate beneficial owner and/or parties acting in concert with it owns or has control or direction over any voting rights or rights over the CFSG Shares, options, derivatives, warrants or other securities convertible into CFSG Shares;
- (b) there is no outstanding derivative in respect of securities in CFSG which has been entered into by the Offeror, its ultimate beneficial owner or any person acting in concert with it;

- (c) save for the Framework Agreement, the Sale and Purchase Agreement, the facility agreement between Huarong International Securities Limited and the Offeror, the CIGL Irrevocable Undertaking and the Optionholders Irrevocable Undertakings, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or CFSG and which might be material to the Offer;
- (d) save for the Framework Agreement and the Sale and Purchase Agreement, there is no agreement or arrangement to which the Offeror, its ultimate beneficial owner and/or parties 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 Offer; and
- (e) none of the Offeror, its ultimate beneficial owner and/or parties acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in CFSG.

CFSG Shareholders are encouraged to read the recommendations of the CFSG Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offer that will be included in the Composite Offer Document before deciding whether or not to accept the Offer.

SHAREHOLDING STRUCTURE OF CFSG

The following table sets out the shareholding structure of CFSG (based on information received by CFSG and notified pursuant to Part XV of the SFO as at the date of this joint announcement) immediately before and after the S&P Completion (assuming that there are no changes other than those contemplated in the Sale and Purchase Agreement):

	Immediately before the S&P Completion		Immediately after the S&P Completion	
	No. of CFSG Shares	Approximate %	No. of CFSG Shares	Approximate %
CIGL and parties acting in concert with it (Note 1)	1,667,821,069	40.34	167,821,069	4.06
CFSG Director: Lo Kwok Hung John (Note 2)	1,255,500	0.03	1,255,500	0.03
The Offeror and parties acting in concert with it	-	-	1,500,000,000	36.28
Public	2,465,283,019	59.63	2,465,283,019	59.63
Total	4,134,359,588	100.00	4,134,359,588	100.00

Note 1: The 167,821,069 Remaining CFSG Shares are subject to the Lock-up Period as set out under the paragraph headed "CIGL Irrevocable Undertaking" above in this joint announcement.

Note 2: Mr. Lo Kwok Hung John is an independent non-executive director of CFSG.

INFORMATION ON THE OFFEROR

The Offeror is an investment holding company incorporated in the British Virgin Islands on 12 June 2009 and is wholly-owned by Sunbase Holdings. Sunbase Holdings is a private company limited by shares incorporated in Hong Kong, whose principal business includes investment management and capital operations, urban services and property management, infrastructures and urban commercial complex investment and operations, new energy and energy-based resources, bulk commodity operations and international trade, life biotechnology and modern elderly health and care, culture, sports and tourism industries. Sunbase Holdings is owned as to 66.7% by Mr. Gao Gunter and 33.3% by Ms. Yang Linda, respectively.

As at the date of this joint announcement, the sole director of the Offeror is Mr. Gao Gunter.

Save for the Offeror's interest in the CFSG Sale Shares pursuant to the Sale and Purchase Agreement, the Remaining CFSG Shares pursuant to the CIGL Irrevocable Undertaking executed by CIGL and the Optionholders Irrevocable Undertakings to be executed by Optionholders in respect of all outstanding Options, the Offeror, its ultimate beneficial owners and the parties acting in concert with it do not hold any CFSG Shares or any other securities of CFSG as at the date of this joint announcement.

REASONS FOR THE ACQUISITION AND FUTURE INTENTION OF THE OFFEROR ON CFSG

The Acquisition is an important step of Ever Billion to enter into securities, brokerage and asset management businesses. Ever Billion will be able to fully utilize CFSG's network and reputation to provide diversified financial services to customers in Hong Kong.

Following the close of the Offer, the Offeror intends to continue with the CFSG Group's existing online and traditional brokerage of securities, futures and options contracts as well as mutual funds and insurance-linked investment products, and provision of margin financing, corporate finance, financial advisory and asset management services. The Offeror would conduct a detailed review on the financial position and the operations of the CFSG Group and formulate long-term business plans and strategy for the future business development of the CFSG Group. In the meantime, the Offeror would explore other business opportunities and consider if any asset disposal or acquisition, business rationalisation, divestment, restructuring or diversification or fund raising would be appropriate to enhance the long-term growth potential of the CFSG Group. Should such corporate actions materialise, further announcement(s) will be made in accordance with the Listing Rules. As at the date of this joint announcement, the Offeror has no plan to inject any of assets into the CFSG Group.

The Offeror has no intention to discontinue the employment of any employees of the CFSG Group or redeploy the fixed assets of the CFSG Group other than those in its ordinary and usual course of business.

PROPOSED CHANGE OF COMPOSITION OF CFSG BOARD

The CFSG Board is currently made up of seven (7) directors, comprising four (4) executive directors and three (3) independent non-executive directors. Upon the S&P Completion, the Offeror intends to nominate new directors of CFSG to the CFSG Board with effect from the earliest time permitted under the Takeovers Code. As at the date of this joint announcement, the Offeror has not reached any final decision as to who will be nominated as new directors of CFSG. It is the Offeror's intention that all or most existing directors of CFSG will resign immediately after the close of the Offer. Any changes to the CFSG Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement will be made accordingly.

MAINTAINING OF THE LISTING STATUS OF CFSG

The Offeror intends to maintain the listing of the CFSG Shares on the Main Board of the Stock Exchange following the close of the Offer.

Upon the close of the Offer, if there is less than 25% of the CFSG Shares held by the public, the CFSG Directors and the new directors of CFSG to be nominated by the Offeror and appointed as directors of the CFSG will jointly and severally undertake to the Stock Exchange to take appropriate steps to restore the minimum public float as required under the Listing Rules as soon as possible following the close of the Offer to ensure that sufficient public float exists for the CFSG Shares.

The Stock Exchange had stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to CFSG, being 25% of the issued 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) that there are insufficient CFSG Shares in public hands to maintain an orderly market,**

it would consider exercising its discretion to suspend dealings in the CFSG Shares.

In this connection, it should be noted that following the close of the Offer, there might be insufficient public float of the CFSG Shares and therefore, trading in the CFSG Shares might be suspended until sufficient public float exists in the CFSG Shares.

DEALINGS DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, associates of CFSG and the Offeror respectively (including CFSG Shareholders who own or control 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of CFSG, or any person who as a result of any transaction owns or controls 5% or more of any class of relevant securities of CFSG, and Offeror's shareholders who own or control 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeror, or any person who as a result of any transaction owns or controls 5% or more of any class of relevant securities of the Offeror are hereby reminded to disclose their dealings in the relevant securities of CFSG pursuant to the requirements of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 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 and other persons under Rule 22 of the Takeovers Code 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 of the Takeovers Code. 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 \$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.”

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF 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 (i) consider and advise the CFSG Independent Shareholders in relation to the fairness and reasonableness of the terms of the Offer and; (ii) advise the CFSG Shareholders as to whether to accept the Offer or not.

The CFSG Independent Board Committee will appoint the Independent Financial Adviser to advise the terms of the Offer. Announcement will be made by CFSG upon the appointment of the Independent Financial Adviser in accordance with Rule 2.1 of the Takeovers Code.

THE CASH SGM AND THE CASH CIRCULAR

The CASH SGM will be held for the purposes of considering and, if thought fit, approving the resolution(s) in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder by the CASH Shareholders, by way of poll. No particular CASH Shareholder has material interest in the Disposal different from other CASH Shareholders and no CASH Shareholder is required to abstain from voting at the CASH SGM.

The CASH Circular containing, among other things, (i) details of the Sale and Purchase Agreement and the transactions contemplated thereunder; (ii) the relevant financial information in respect of 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 CASH will require more than fifteen (15) Business Days after publication of this joint announcement for compiling relevant information to be included in the CASH Circular, it is expected that the CASH Circular will be despatched to the CASH Shareholders on or before 31 October 2016.

AVAILABILITY OF THE COMPOSITE OFFER DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the offer document containing the terms of the Offer to the CFSG Shareholders within twenty-one (21) days after the date of this joint announcement, or such later date as the Executive may approve. Note 2 to Rule 8.2 of the Takeovers Code provides that the Executive's consent is required if the making of an offer is subject to the prior fulfillment of a pre-condition and the pre-condition cannot be fulfilled within the time period contemplated by Rule 8.2 of the Takeovers Code.

Since there is a pre-condition, namely the S&P Completion, application will be made by the Offeror for the Executive's consent under Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of the Composite Offer Document (combining the offer document and the offeree board circular) to be issued by the Offeror and CFSG jointly in connection with the Offer to within seven (7) days of the S&P Completion Date or 16 January 2017, whichever is earlier. The Composite Offer Document will set out, among other matters, details of the Offer, accompanied by the form of acceptance and transfer of the CFSG Shares in respect of the Share Offer, and incorporating the respective letters of advice from the CFSG Independent Board Committee and the Independent Financial Adviser as to whether the terms of the Offer are fair and reasonable and as to acceptance.

E. RESUMPTION OF TRADING IN SHARES OF CASH AND CFSG

At the request of CASH and CFSG, trading in the CASH Shares and CFSG Shares on the Stock Exchange was halted from 9:00 a.m. on 9 September 2016 pending the release of this joint announcement. CASH and CFSG have applied to the Stock Exchange for resumption of trading in their respective shares from 9:00 a.m. on 15 September 2016.

DEFINITIONS

In this joint announcement, unless the context otherwise requires, the following terms have the meanings set out below:

“acting in concert”	has the same meaning as ascribed to it under the Takeovers Code
“Acquisition”	the proposed acquisition of 36.28% shareholding in CFSG by Ever Billion from CIGL pursuant to the Sale and Purchase Agreement
“associate(s)”	has the same meaning as ascribed to it under the Takeovers Code or the Listing Rules as the context may require

“Business Day(s)”	a day (excluding Saturday, Sunday, any public holiday in Hong Kong, and any day on which typhoon warning signal No.8 or above or the black rainstorm warning signal is hoisted during 9 a.m. to 5 p.m.) on which banks in Hong Kong are open for business
“CASH” or “Guarantor”	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 Circular”	the circular to be despatched to the CASH Shareholders containing details of the Sale and Purchase Agreement and the transactions contemplated thereunder and the notice convening the CASH SGM
“CASH Directors”	the directors of CASH
“CASH Group”	CASH and its subsidiaries
“Cash Guardian Irrevocable Undertaking”	the irrevocable undertaking issued by Cash Guardian Limited and Mr. Kwan Pak Hoo Bankee in favour of the Offeror dated 8 September 2016
“CASH SGM”	the special general meeting of CASH to be convened to seek the CASH Shareholders’ approval in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder
“CASH Shareholder(s)”	the shareholder(s) of CASH
“CASH Shares”	shares of HK\$0.10 each in the share capital of CASH
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“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. CFSG is an indirect non-wholly-owned subsidiary 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 to advise and give recommendation to the CFSG Shareholders in respect of the Offer

“CFSG Independent Shareholders”	the CFSG Shareholders other than (i) CASH, its associates and parties acting in concert with any of them; (ii) the Offeror, its ultimate beneficial owner and parties acting in concert with it; and (iii) any CFSG Shareholders who are interested in or involved in the transactions contemplated under the Sale and Purchase Agreement
“CFSG Sale Shares”	the 1,500,000,000 CFSG Shares (representing approximately 36.28% of the issued share capital of CFSG as at the date of this joint announcement) agreed to be sold by CIGL to the Offeror under the Sale and Purchase Agreement
“CFSG Share(s)”	share(s) of HK\$0.02 each in the share capital of CFSG
“CFSG Shareholders”	the shareholders of CFSG
“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 1,667,821,069 CFSG Shares (representing approximately 40.34% of the issued share capital of CFSG) as at the date of this joint announcement
“CIGL Irrevocable Undertaking”	the irrevocable undertaking issued by CIGL and CASH in favour of the Offeror dated 8 September 2016
“Completion Account”	the management account of the CFSG Group made up to the Completion Account Date approved and certified by any one of the CFSG Directors
“Completion Account Date”	the end of the calendar month immediately preceding the S&P Completion Date
“Composite Offer Document”	the document proposed to be jointly issued by and on behalf of the Offeror and CFSG to all CFSG Shareholders in accordance with the Takeovers Code containing, among others, the terms and conditions of the Offer, the form of acceptance and transfer of the CFSG Shares in respect of the Share Offer, the letter of advice of the Independent Financial Adviser to the CFSG Independent Board Committee in respect of the Offer, and the letter of advice of the CFSG Independent Board Committee to the CFSG Shareholders as to whether the terms of the Offer are fair and reasonable and as to acceptance
“Confident Profits”	Confident Profits Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of CASH. As at the date of this joint announcement, neither Confident Profits nor any of its subsidiaries is a direct shareholder of CFSG
“Conditions”	the conditions precedent to the S&P Completion
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Consideration”	the consideration payable by the Offeror for the CFSG Sale Shares pursuant to the Sale and Purchase Agreement

“Deposit”	a deposit of HK\$50,000,000 paid by the Offeror to CFSG on 21 July 2016 pursuant to the Framework Agreement. Upon the S&P Completion, the Deposit will be applied towards the Consideration for the CFSG Sale Shares
“Disposal”	the disposal of the CFSG Sale Shares by CIGL to the Offeror as contemplated under the Sale and Purchase Agreement
“Encumbrance”	any security arrangement, claim, encumbrance, equity, mortgage, option to subscribe or acquire, charge, pledge, lien or other third party right of any kind
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Framework Agreement”	the framework agreement entered into between the Offeror and CIGL relating to the possible sale and purchase of the CFSG Sale Shares on 19 July 2016 (as amended and supplemented by a supplemental agreement dated 21 July 2016 entered into between the Offeror and CIGL)
“Group A Optionholders”	the Optionholders holding an aggregate of 108,500,000 Options as at the date of this joint announcement
“Group B Optionholders”	the Optionholders (including the Mr. Kwan Pak Hoo Bankee, Chairman of the CFSG Board and the CASH Board) holding an aggregate of 229,500,000 Options as at the date of this joint announcement
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic China
“Independent Financial Adviser”	the independent financial adviser to be appointed by the CFSG Independent Board Committee to advise the CFSG Independent Board Committee in respect of the Offer
“Last Trading Day”	8 September 2016, being the last trading day prior to the suspension of trading in the CFSG Shares pending the publication of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 December 2016 (or such other later date as may be agreed by the Offeror and CIGL)
“Offer Conditions”	the conditions to the Offer, as set out in the paragraph headed “B. Possible conditional mandatory cash offer by Huarong International Securities Limited on behalf of Ever Billion to acquire all issued shares in the issued share capital of CFSG (other than those already owned or agreed to be acquired by Ever Billion and parties acting in concert with it) – Conditions of the Offer” in this joint announcement

“Offeror” or “Ever Billion”	Ever Billion Group Limited (恆億集團有限公司), a company incorporated in the British Virgin Islands with limited liability which is wholly-owned by Sunbase Holdings
“Option(s)”	the non-transferable share option(s) granted by CFSG pursuant to the share option scheme of CFSG conditionally adopted on 22 February 2008, which entitle(s) the Optionholder(s) to subscribe for the CFSG Share(s) in accordance with the terms and conditions thereof
“Optionholder(s)”	holder(s) of the Option(s)
“Optionholders Irrevocable Undertakings”	the irrevocable undertakings to be executed by Optionholders holding all outstanding Options carrying subscription rights to subscribe for 338,000,000 CFSG Shares pursuant to the terms of the Sale and Purchase Agreement
“Parties”	CIGL, Ever Billion and CASH, being the parties to the Sale and Purchase Agreement
“PRC”	the People’s Republic of China
“Remaining CFSG Shares”	the remaining 167,821,069 CFSG Shares held by CIGL following the S&P Completion
“S&P Completion”	completion of the Sale and Purchase Agreement
“S&P Completion Date”	the date of completion of the Sale and Purchase Agreement
“Sale and Purchase Agreement”	the sale and purchase agreement dated 8 September 2016 entered into among CIGL, the Offeror and CASH for the sale and purchase of the CFSG Sale Shares
“Sale Price”	the sale price of the CFSG Sale Share, being HK\$0.51 per CFSG Sale Share
“Seller Parties”	CIGL, as seller under the Sale and Purchase Agreement, and CASH, as guarantor of CIGL under the Sale and Purchase Agreement
“Share Offer” or “Offer”	the conditional mandatory cash offer to be made by Huarong International Securities Limited for and on behalf of the Offeror for all the issued CFSG Shares not already owned or agreed to be acquired by the Offeror or parties acting in concert with it in accordance with the Takeovers Code
“Share Offer Price”	the purchase price per CFSG Share of HK\$0.51 payable in cash by the Offeror to the CFSG Shareholders under the Share Offer
“SFC”	the Securities and Futures Commission in Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“substantial shareholder”	has the meaning as ascribed to it under the Listing Rules
“Sunbase Holdings”	Sunbase International (Holdings) Limited (新恆基國際(集團)有限公司), a private company limited by shares incorporated in Hong Kong
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC as amended from time to time
“%”	per cent

On behalf of the CFSG
Board
Bernard Law
*Executive Director and
Chief Financial Officer*

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

On behalf of the board of
directors of the Offeror
GAO Gunter
Director

Hong Kong, 14 September 2016

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

Executive directors:

Mr. Kwan Pak Hoo Bankee, JP
Mr. Law Ping Wah Bernard
Ms. Cheng Pui Lai Majone
Mr. Lam Man Michael

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 relating to the CFSG Group and their associates and parties acting in concert with any of them (other than that relating to the Offeror, Sunbase Holdings, their respective associates and parties acting in concert with any of them) 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 Offeror, Sunbase Holdings, their respective associates and parties acting in concert with any of them) 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:

Mr. Kwan Pak Hoo Bankee, JP
Mr. Law Ping Wah Bernard
Mr. Law Ka Kin Eugene
Mr. Ng Hin Sing Derek
Ms. Kwok Lai Ling Elaine

Independent non-executive directors:

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

The CASH Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror, Sunbase Holdings, their respective associates and parties acting in concert with any of them) 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 Offeror, Sunbase Holdings, their respective associates and parties acting in concert with any of them) 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 sole director of the Offeror is:-

Mr. GAO Gunter

As at the date hereof, the board of directors of Sunbase Holdings comprises:-

Mr. GAO Gunter

Ms. YANG Linda

Mr. YU Bun

Ms. LIU Jun

The directors of the Offeror and Sunbase Holdings jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the CFSG Group, the CASH Group, their respective associates and parties acting in concert with any of them) 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 Group, the CASH Group, their respective associates and parties acting in concert with any of them) 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*