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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)

DISCLOSURE PURSUANT TO RULES 13.13 AND 13.15 OF THE LISTING RULES

The announcement is made pursuant to Rules 13.13 and 13.15 of the Listing Rules.

Under Rules 13.13 and 13.15 of the Listing Rules, a company listed on the Stock Exchange is required to disclose certain details of relevant advance(s) to an entity if such advance(s) exceed 8% of its assets ratio as defined under Rule 14.07(1) of the Listing Rules.

Accordingly, the Company makes this announcement pursuant to Rules 13.13 and 13.15 of the Listing Rules.

As more particularly set out below, Celestial Securities (a wholly-owned subsidiary of the Company) has made advances on normal commercial terms to the entities to subscribe in a company under IPO, which is made in the ordinary and usual course of business of the Company.

The advances were made on the basis of credit assessments on the clients' financial strengths, repayment abilities and securities collateral provided.

In respect of an advance made for the subscription for shares under the IPO, the likely popularity and liquidity of the relevant stock to be listed and the relatively short-term nature of such advance were further considered. In respect of all advances made in relation to IPO financing, it was expected that the full value of the IPO stocks would be collateralised when the shares are allotted. Any collateral provided by the relevant entity for IPO will not be released unless and until all sums due and owing to the Group have either been fully repaid by the relevant entity or continue to be fully covered by the remaining collateral. After taking into account the factors as disclosed above in assessing the risks of the relevant advances, the Company considered that the risks involved in the relevant advances to the entities as set out below were relatively low. The applicable interest rates were equivalent to those charged to other borrowers of similar financial standing.

As at 31 October 2017, Celestial Securities has made advances to the following entities, details of which are set out as follows:

Clients	Approximate amount of advances as at 31 October 2017 (HK\$)	% to the published total assets of the Company as at 30 June 2017	% to the published net assets of the Company as at 30 June 2017	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stocks concerned and stock code
Entity A	250.0 million	12.8	34.0	N/A	China Literature Limited (Stock code: 772)
Entity B	150.0 million	7.6	20.4	N/A	China Literature Limited (Stock code: 772)
Total	400.0 million	20.4	54.4		

In respect of the above advances, the repayments were on demand and were secured by the relevant securities to be listed under the above IPO, when allotted, and/or listed securities in the custody of securities accounts (if any) and were made at interest rates of not more than the prevailing prime lending rate being offered by The Hongkong and Shanghai Banking Corporation Limited of 5%. The interest rates disclosed represent the maximum interest rates being charged to all our clients for seeking IPO advances. The financing period to the above entities in relation to the above IPO advances was 7 days from the closing date of the IPO.

The above entities are individual investors. They have been clients of the Group since 2009. Each of the entities maintains good credit and settlement history has never defaulted in repayment of any advance made by the Group.

Entity B is the spouse of Entity A and is a close associate (as defined under the Listing Rules) of Entity A. As the total advances made to Entity A and Entity B, in aggregate, exceeded 8% of the Company's then latest published total assets, the Company is under a general disclosure obligation to disclose certain particulars of the advances as prescribed under Rule 13.13 of the Listing Rules.

In respect of the aforementioned advances, the Company has applied to the Stock Exchange for a waiver from the strict compliance of Rule 13.15 of the Listing Rules on the disclosure of the identities of Entity A and Entity B and the actual interest rates in relation to the advances made to Entity A and Entity B.

The principal activities of the Group are (a) provision of 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 and options, (c) provision of margin financing and money lending services, and (d) provision of corporate financial services.

DEFINITIONS

“Board”	the board of directors of the Company
“Celestial Securities”	Celestial Securities Limited, a company incorporated with limited liability in Hong Kong, and is a wholly-owned subsidiary of the Company. It is a licensed corporation under the Securities and Futures Ordinance, which is engaged in type 1 (dealing in securities) regulated activity
“Company”	CASH Financial Services Group Limited (stock code: 510), a company incorporated in Bermuda with limited liability under the laws of Bermuda and whose shares are listed on the main board of the Stock Exchange
“Entity A”	an entity A, an individual investor, who is the Independent Third Party
“Entity B”	an entity B, an individual investor, who is the Independent Third Party. She is also the spouse of Entity A
“Group”	the Company and its subsidiaries
“Independent Third Party”	to the best of the knowledge, information and belief of the Board having made all reasonable enquiry, such person/company and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons (as defined under the Listing Rules) of the Company
“IPO(s)”	initial public offer(s)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s), the currency of Hong Kong

By order of the Board
Suzanne W S Luke
Company Secretary

Hong Kong, 31 October 2017

As at the date hereof, the directors of the Company comprise:-

Executive directors:

Mr Kwan Pak Hoo Bankee, JP
Mr Chan Chi Ming Benson
Mr Law Ping Wah Bernard
Mr Kwan Teng Hin Jeffrey
Mr Ho Tsz Cheung Jack

Independent non-executive directors:

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

* For identification purpose only