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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)**

### **DISCLOSEABLE TRANSACTION DISPOSAL OF LISTED SECURITIES**

The Board announces that on 19 January 2021, the Group, through CASH Trinity Bullion (a wholly-owned subsidiary of the Company), disposed an aggregate of 537,000 China Mobile Shares on the open market at an aggregate consideration of approximately HK\$27.2 million (excluding stamp duty and related expenses).

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal exceed 5% but less than 25%, the Disposal constitutes a discloseable transaction on the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements of the Listing Rules.

#### **THE DISPOSAL**

On 19 January 2021, the Group, through CASH Trinity Bullion (a wholly-owned subsidiary of the Company), disposed an aggregate of 537,000 China Mobile Shares on the open market at an aggregate consideration of approximately HK\$27.2 million (excluding stamp duty and related expenses), which are receivable in cash on settlement.

As the Disposal was conducted in the open market, the identities of the counterparties of the Disposed Shares cannot be ascertained. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the counterparties and the ultimate beneficial owner(s) of the counterparties of the Disposed Shares are third parties independent of the Company and its connected persons.

#### **INFORMATION ON CHINA MOBILE**

China Mobile is a company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange (Stock Code: 941) and the American depositary shares of which are listed on the New York Stock Exchange. China Mobile Group is the leading provider of mobile telecommunications and related services in 31 provinces, autonomous regions and directly-administered municipalities in Mainland China and Hong Kong.

The following information is extracted from the published documents of China Mobile:

	<b>For the year ended 31 December 2018</b>		<b>For the year ended 31 December 2019</b>	
	<i>RMB million</i>	<i>HK\$ million</i>	<i>RMB million</i>	<i>HK\$ million</i>
Operating revenues	736,819	817,870	745,917	827,968
Profit before taxation	153,895	170,823	142,133	157,768
Profit for the year	117,951	130,926	106,791	118,538

Based on China Mobile's published documents, China Mobile Group has an audited consolidated net asset value of RMB1,055,809 million (equivalent to approximately HK\$1,171,948 million) as at 31 December 2018 and RMB1,107,289 million (equivalent to approximately HK\$1,229,091 million) as at 31 December 2019 respectively.

Based on China Mobile's published documents, China Mobile Group has an unaudited consolidated net asset value of RMB1,130,010 million (equivalent to approximately HK\$1,254,311 million) as at 30 June 2020.

## **REASONS FOR AND BENEFITS FOR THE DISPOSAL**

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

The Disposed Shares were acquired by the Group on 5 and 6 January 2021 (as disclosed in the announcements of the Company dated 5 and 6 January 2021 respectively) and 7 January 2021 at an aggregate acquisition price of approximately HK\$24.6 million. As a result of the Disposal, the Board considers the Group will realise a book gain of approximately HK\$2.4 million, being the difference between the consideration received from the Disposal and the aforesaid acquisition cost of China Mobile Shares (after deducting stamp duty and related expenses).

The Group intends to use the proceeds of the Disposal for any further attractive investments when the opportunity arises or for general working capital.

As the Disposal was made in the open market at prevailing market price, the Directors are of the view that the terms of the Disposal are fair and reasonable. In view of the aforesaid gain and the Disposal will enhance the liquidity of the Company, the Directors consider that the Disposal is in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATION**

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal exceed 5% but less than 25%, the Disposal constitutes a discloseable transaction on the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements of the Listing Rules.

## **FINANCIAL INFORMATION OF THE GROUP**

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

Based on the audited accounts of the Company, the net losses (before and after taxation and extraordinary items) for the financial year ended 31 December 2019 were both approximately HK\$116.9 million, and the audited net asset value as at 31 December 2019 was approximately HK\$503.8 million. The unaudited net asset value of the Company as at 30 June 2020 was approximately HK\$475.7 million.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Board”	the board of directors of the Company
“CASH Trinity Bullion”	CASH Trinity Bullion Limited, a company incorporated in Hong Kong with limited liability, and is a wholly-owned subsidiary of the Company
“China Mobile”	China Mobile Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 941) and the American depository shares of which are listed on the New York Stock Exchange (NYSE: CHL)
“China Mobile Group”	China Mobile and its subsidiaries
“China Mobile Shares”	ordinary shares in the share capital of China Mobile
“Company”	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
“Directors”	the directors of the Company
“Disposal”	disposal of the Disposed Shares by the Group as disclosed in this announcement
“Disposed Shares”	an aggregate of 537,000 China Mobile Shares disposed by the Group
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.40 each in the share capital of the Company
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“RMB”	Renminbi, the lawful currency of of the People’s Republic of China
“%”	per cent.

On behalf of the Board  
**Lewis Li**  
*Executive Director & CFO*

Hong Kong, 19 January 2021

As at the date of this announcement, the Board comprises:

*Executive directors:*

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

*Independent non-executive directors:*

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

*For the purpose of illustration only and unless otherwise stated, conversion of RMB into HK\$ in this announcement is based on the exchange rate of RMB1.00 to HK\$1.11. Such conversion should not be construed as a representation that any amount has been, could have been, or may be, exchanged at this or any other rate.*

*\* For identification purposes only*