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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 TRANSACTIONS DISPOSALS OF LISTED SECURITIES

The Board announces that the Group has entered into the following transactions involving disposals of listed securities.

THE DISPOSALS

Disposal of Tencent Shares

On 18 February 2022, the Group disposed an aggregate of 31,000 Tencent Shares on the open market at an aggregate consideration of approximately HK\$14.9 million (excluding stamp duty and related expenses).

Disposal of China Mobile Shares

On 18 February 2022, the Group disposed an aggregate of 281,000 China Mobile Shares on the open market at an aggregate consideration of approximately HK\$15.5 million (excluding stamp duty and related expenses).

Disposal of Galaxy Shares

On 18 February 2022, the Group disposed an aggregate of 231,000 Galaxy Shares on the open market at an aggregate consideration of approximately HK\$11.3 million (excluding stamp duty and related expenses).

LISTING RULES IMPLICATIONS

Disposal of Tencent Shares

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal of Tencent Shares exceed 5% but less than 25%, the Disposal of Tencent Shares 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.

Disposal of China Mobile Shares

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal of China Mobile Shares exceed 5% but less than 25%, the Disposal of China Mobile Shares 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.

Disposal of Galaxy Shares

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal of Galaxy Shares exceed 5% but less than 25%, the Disposal of Galaxy Shares 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 Board announces that the Group has entered into the following transactions involving disposals of listed securities.

THE DISPOSALS

Disposal of Tencent Shares

On 18 February 2022, the Group, through CASH Trinity Bullion (a wholly-owned subsidiary of the Company), disposed a total of 31,000 Tencent Shares on the open market at an aggregate consideration of approximately HK\$14.9 million (excluding stamp duty and related expenses), which are receivable in cash on settlement.

As the Disposal of Tencent Shares was conducted in the open market, the identities of the counterparties of the Disposed Tencent 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 Tencent Shares are third parties independent of the Company and its connected persons.

Disposal of China Mobile Shares

On 18 February 2022, the Group, through CASH Trinity Bullion (a wholly-owned subsidiary of the Company), disposed a total of 281,000 China Mobile Shares on the open market at an aggregate consideration of approximately HK\$15.5 million (excluding stamp duty and related expenses), which are receivable in cash on settlement.

As the Disposal of China Mobile Shares was conducted in the open market, the identities of the counterparties of the Disposed China Mobile 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 China Mobile Shares are third parties independent of the Company and its connected persons.

Disposal of Galaxy Shares

On 18 February 2022, the Group, through CASH Trinity Bullion (a wholly-owned subsidiary of the Company), disposed a total of 231,000 Galaxy Shares on the open market at an aggregate consideration of approximately HK\$11.3 million (excluding stamp duty and related expenses), which are receivable in cash on settlement.

As the Disposal of Galaxy Shares was conducted in the open market, the identities of the counterparties of the Disposed Galaxy 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 Galaxy Shares are third parties independent of the Company and its connected persons.

INFORMATION ON TENCENT, CHINA MOBILE AND GALAXY

Tencent

Tencent is a company incorporated in the Cayman Islands with limited liability. The Tencent Group is principally engaged in the business of provision of internet value-added services and online advertising services to users in the People's Republic of China.

The following financial information is extracted from the published documents of Tencent:

	For the year ended 31 December 2019		For the year ended 31 December 2020	
	<i>RMB million</i>	<i>HK\$ million</i>	<i>RMB million</i>	<i>HK\$ million</i>
Revenue	377,289	445,201	482,064	568,836
Profit before income tax	109,400	129,092	180,022	212,426
Profit for the year	95,888	113,148	160,125	188,948

Based on Tencent's published documents, the Tencent Group has an audited consolidated net asset value of RMB488,824 million (equivalent to approximately HK\$576,812 million) as at 31 December 2019 and RMB778,043 million (equivalent to approximately HK\$918,091 million) as at 31 December 2020 respectively.

Based on Tencent's published documents, the Tencent Group has an unaudited consolidated net asset value of RMB926,971 million (equivalent to approximately HK\$1,093,826 million) as at 30 June 2021.

China Mobile

China Mobile is a company incorporated in Hong Kong with limited liability. The China Mobile Group is the leading provider of telecommunications and related services in Mainland China and Hong Kong.

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

	For the year ended 31 December 2019		For the year ended 31 December 2020	
	<i>RMB million</i>	<i>HK\$ million</i>	<i>RMB million</i>	<i>HK\$ million</i>
Operating revenues	745,917	880,182	768,070	906,323
Profit before taxation	142,133	167,717	142,359	167,984
Profit for the year	106,791	126,013	108,140	127,605

Based on China Mobile's published documents, China Mobile Group has an audited consolidated net asset value of RMB1,107,289 million (equivalent to approximately HK\$1,306,601 million) as at 31 December 2019 and RMB1,152,772 million (equivalent to approximately HK\$1,360,271 million) as at 31 December 2020 respectively.

Based on China Mobile's published documents, China Mobile Group has an unaudited consolidated net asset value of RMB1,181,839 million (equivalent to approximately HK\$1,394,570 million) as at 30 June 2021.

Galaxy

Galaxy is a company incorporated in Hong Kong with limited liability. The Galaxy Group is principally engaged in developing and operating a large portfolio of integrated resort, retail, dining, hotel and gaming facilities in Macau.

The following financial information is extracted from the published documents of Galaxy:

	For the year ended 31 December 2019	For the year ended 31 December 2020
	<i>HK\$ million</i>	<i>HK\$ million</i>
Revenue	51,902	12,876
Profit (loss) before taxation	13,284	(3,763)
Profit (loss) for the year	13,128	(3,913)

Based on Galaxy's published documents, the Galaxy Group has an audited net asset value of approximately HK\$74,155 million as at 31 December 2019 and approximately HK\$68,037 million as at 31 December 2020 respectively.

Based on Galaxy's published documents, the Galaxy Group has an unaudited net asset value of approximately HK\$69,926 million as at 30 June 2021.

REASONS FOR AND BENEFITS FOR THE DISPOSALS

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, and (d) provision of asset management services. For additional information, please visit www.cfsg.com.hk.

The Disposed Tencent Shares were acquired by the Group from 5 to 29 November 2021 (as disclosed in the announcement of the Company dated 29 November 2021) and 1 December 2021 at an aggregate acquisition price of approximately HK\$14.5 million. As a result of the Disposal of Tencent Shares, the Group will realise a book gain of approximately HK\$0.3 million, being the difference between the consideration received from the Disposal of Tencent Shares and the aforesaid acquisition cost of Tencent Shares (after deducting stamp duty and related expenses).

The Disposed China Mobile Shares were acquired by the Group from 1 to 19 March 2021 (as disclosed in the announcement of the Company dated 19 March 2021) and 24 March 2021 at an aggregate acquisition price of approximately HK\$15.1 million. As a result of the Disposal of China Mobile Shares, the Group will realise a book gain of approximately HK\$0.3 million, being the difference between the consideration received from the Disposal of China Mobile Shares and the aforesaid acquisition cost of China Mobile Shares (after deducting stamp duty and related expenses).

The Disposed Galaxy Shares were acquired by the Group on 29 November 2021 (as disclosed in the announcement of the Company dated 29 November 2021) at an aggregate acquisition price of approximately HK\$10.1 million. As a result of the Disposal of Galaxy Shares, the Group will realise a book gain of approximately HK\$1.2 million, being the difference between the consideration received from the Disposal of Galaxy Shares and the aforesaid acquisition cost of Galaxy Shares (after deducting stamp duty and related expenses).

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

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

LISTING RULES IMPLICATIONS

Disposal of Tencent Shares

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal of Tencent Shares exceed 5% but less than 25%, the Disposal of Tencent Shares 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.

Disposal of China Mobile Shares

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal of China Mobile Shares exceed 5% but less than 25%, the Disposal of China Mobile Shares 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.

Disposal of Galaxy Shares

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal of Galaxy Shares exceed 5% but less than 25%, the Disposal of Galaxy Shares 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.

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 Shanghai Stock Exchange (stock code: 600941)
“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 of China Mobile Shares”	disposal of China Mobile Shares by the Group as disclosed in this announcement
“Disposal of Galaxy Shares”	disposal of Galaxy Shares by the Group as disclosed in this announcement
“Disposal of Tencent Shares”	disposal of Tencent Shares by the Group as disclosed in this announcement
“Disposals”	the Disposal of Tencent Shares, the Disposal of China Mobile Shares and the Disposal of Galaxy Shares

“Disposed China Mobile Shares”	an aggregate of 281,000 China Mobile Shares disposed by the Group
“Disposed Galaxy Shares”	an aggregate of 231,000 Galaxy Shares disposed by the Group
“Disposed Tencent Shares”	an aggregate of 31,000 Tencent Shares disposed by the Group
“Galaxy”	Galaxy Entertainment Group Limited, a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 27)
“Galaxy Group”	Galaxy and its subsidiaries
“Galaxy Shares”	ordinary shares in the share capital of Galaxy
“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
“Tencent”	Tencent Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 700)
“Tencent Group”	Tencent and its subsidiaries
“Tencent Shares”	ordinary shares in the share capital of Tencent
“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 the People’s Republic of China
“%”	per cent.

On behalf of the Board
Lewis Li
Executive Director & CFO

Hong Kong, 18 February 2022

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 Kwok Ka Lok Lionel
Mr Cheung Wai Lim William

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\$1.18. 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.

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.

** For identification purposes only*