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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 ACQUISITIONS OF LISTED SECURITIES**

The Board announces that the Group, through CASH Trinity Bullion (a wholly-owned subsidiary of the Company), has entered into the following transactions involving acquisitions of listed securities.

#### **Acquisition of Tencent Shares**

During the period from 1 to 19 March 2021, the Group has acquired an aggregate of 22,400 Tencent Shares through the open market at an aggregate consideration of approximately HK\$14.8 million (excluding stamp duty and related expenses).

#### **Acquisition of China Mobile Shares**

During the period from 1 to 19 March 2021, the Group has acquired an aggregate of 293,000 China Mobile Shares through the open market at an aggregate consideration of approximately HK\$15.9 million (excluding stamp duty and related expenses).

#### **LISTING RULES IMPLICATION**

##### **Acquisition of Tencent Shares**

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

##### **Acquisition of China Mobile Shares**

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

The Board announces that the Group, through CASH Trinity Bullion (a wholly-owned subsidiary of the Company), has entered into the following transactions involving acquisitions of listed securities.

### **Acquisition of Tencent Shares**

During the period from 1 to 19 March 2021, the Group has acquired an aggregate of 22,400 Tencent Shares through the open market at an aggregate consideration of approximately HK\$14.8 million (excluding stamp duty and related expenses). The aggregate consideration of the Acquisition of Tencent Shares was fully payable in cash by the Group's internal financial resources.

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

### **Acquisition of China Mobile Shares**

During the period from 1 to 19 March 2021, the Group has acquired an aggregate of 293,000 China Mobile Shares through the open market at an aggregate consideration of approximately HK\$15.9 million (excluding stamp duty and related expenses). The aggregate consideration of the Acquisition of China Mobile Shares was fully payable in cash by the Group's internal financial resources.

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

## **INFORMATION ON TENCENT AND CHINA MOBILE**

### **Tencent**

Tencent is a company incorporated in the Cayman Islands with limited liability which together with its subsidiaries are 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:

	<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>
Revenue	312,694	368,979	377,289	445,201
Profit before income tax	94,466	111,470	109,400	129,092
Profit for the year	79,984	94,381	95,888	113,148

Based on Tencent's published documents, the Tencent Group has an audited net asset value of RMB356,207 million (equivalent to approximately HK\$420,324 million) as at 31 December 2018 and RMB488,824 million (equivalent to approximately HK\$576,812 million) as at 31 December 2019 respectively.

Based on Tencent's published documents, the Tencent Group has an unaudited net asset value of RMB606,273 million (equivalent to approximately HK\$715,402 million) as at 30 June 2020.

## China Mobile

China Mobile is a company incorporated in Hong Kong with limited liability. 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	869,446	745,917	880,182
Profit before taxation	153,895	181,596	142,133	167,717
Profit for the year	117,951	139,182	106,791	126,013

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\$1,245,855 million) as at 31 December 2018 and RMB1,107,289 million (equivalent to approximately HK\$1,306,601 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\$1,333,412 million) as at 30 June 2020.

## REASONS FOR AND BENEFITS FOR THE ACQUISITIONS

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).

Tencent is the market leader in the information technology industry. China Mobile is the leading telecommunications services provider in Mainland China. The Board holds positive views towards the financial performance and future prospect of Tencent and China Mobile. The Company considers that the Acquisitions can increase our holdings in these attractive investments and can enhance investment return for the Group.

As the Acquisitions were made in the open market at prevailing market prices, the Directors are of the view that the terms of the Acquisitions are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## LISTING RULES IMPLICATION

### Acquisition of Tencent Shares

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

### Acquisition of China Mobile Shares

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

## 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 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.

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 2020 were both approximately HK\$39.1 million, and the audited net asset value as at 31 December 2020 was approximately HK\$453.9 million.

## DEFINITIONS

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

“Acquisition of China Mobile Shares”	acquisition of 293,000 China Mobile Shares by the Group as disclosed in this announcement
“Acquisition of Tencent Shares”	acquisition of 22,400 Tencent Shares by the Group as disclosed in this announcement
“Acquisitions”	the Acquisition of China Mobile Shares and the Acquisition of Tencent Shares
“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)
“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
“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, 19 March 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 Kwok Ka Lok Lionel  
Mr Ng Hin Sing Derek

*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.*

*\* For identification purposes only*