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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 BYD Shares

On 5 and 6 January 2021, the Group has acquired an aggregate of 43,000 BYD Shares through the open market at an aggregate consideration of approximately HK\$9.9 million (excluding stamp duty and related expenses).

Further Acquisition of China Mobile Shares

On 6 January 2021, further to the acquisition of 210,000 China Mobile Shares as disclosed in the Announcement, the Group has further acquired an aggregate of 217,000 China Mobile Shares through the open market at an aggregate consideration of approximately HK\$10.0 million (excluding stamp duty and related expenses).

LISTING RULES IMPLICATION

Acquisition of BYD Shares

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

Further Acquisition of China Mobile Shares

Pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules for the purpose of classification of the transactions, as the Acquisition of China Mobile Shares and the Further Acquisition of China Mobile Shares involve the acquisition of China Mobile Shares within a 12-month period, all transactions respectively contemplated thereunder are considered and be aggregated as one transaction at a total consideration of approximately HK\$19.9 million.

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the (i) further acquisition of 217,000 China Mobile Shares (standing alone) and (ii) acquisition of 210,000 China Mobile Shares and further acquisition of 217,000 China Mobile Shares (in aggregate) exceed 5% but less than 25%, the Further 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 BYD Shares

On 5 and 6 January 2021, the Group has acquired an aggregate of 43,000 BYD Shares through the open market at an aggregate consideration of approximately HK\$9.9 million (excluding stamp duty and related expenses). The aggregate consideration of the Acquisition of BYD Shares was fully payable in cash by the Group's internal financial resources.

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

Further Acquisition of China Mobile Shares

Reference is made to the Announcement. On 6 January 2021, further to the acquisition of 210,000 China Mobile Shares as disclosed in the Announcement, the Group has further acquired an aggregate of 217,000 China Mobile Shares on the open market at an aggregate consideration of approximately HK\$10.0 million (excluding stamp duty and related expenses). The aggregate consideration of the Further Acquisition of China Mobile Shares was fully payable in cash by the Group's internal financial resources.

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

INFORMATION ON BYD AND CHINA MOBILE

BYD

BYD is a joint stock company incorporated in the PRC with limited liability. The principal activities of the BYD Group are automobile business (including traditional fuel-powered vehicles and new energy vehicles), handset components and assembly business as well as rechargeable battery and photovoltaic business. The BYD Group also takes advantage of its technological superiority to actively develop the urban rail transportation business segment.

The following information is extracted from the published documents of BYD:

	For the year ended 31 December 2018		For the year ended 31 December 2019	
	<i>RMB'000</i>	<i>HK\$'000</i>	<i>RMB'000</i>	<i>HK\$'000</i>
Revenue	121,790,925	135,187,927	121,778,117	135,173,710
Profit before tax	4,385,640	4,868,060	2,431,131	2,698,555
Profit for the year	3,556,193	3,947,374	2,118,857	2,351,931

Based on BYD's published documents, BYD Group has an audited net asset value of approximately RMB60,694.0 million (equivalent to approximately HK\$67,370.3 million) as at 31 December 2018 and approximately RMB62,601.4 million (equivalent to approximately HK\$69,487.6 million) as at 31 December 2019 respectively.

Based on BYD's published documents, BYD Group has an unaudited net asset value of approximately RMB67,212.9 million (equivalent to approximately HK\$74,606.3 million) as at 30 June 2020.

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:

	For the year ended		For the year ended	
	31 December 2018		31 December 2019	
	<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 ACQUISITION OF BYD SHARES AND THE FURTHER ACQUISITION OF CHINA MOBILE SHARES

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.

BYD is a leader in the global new energy vehicle market with core technologies of new energy vehicles and market leading position. China Mobile is the leading telecommunications services provider in Mainland China. The Board holds positive views towards the financial performance and future prospect of BYD and China Mobile. The Company considers that the Acquisition of BYD Shares and the Further Acquisition of China Mobile Shares can increase our holdings in these attractive investments and can enhance investment return for the Group.

As the Acquisition of BYD Shares and the Further Acquisition of China Mobile Shares were made in the open market at prevailing market prices, the Directors are of the view that the terms of the Acquisition of BYD Shares and the Further Acquisition of China Mobile Shares are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

Acquisition of BYD Shares

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

Further Acquisition of China Mobile Shares

Pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules for the purpose of classification of the transactions, as the Acquisition of China Mobile Shares and the Further Acquisition of China Mobile Shares involve the acquisition of China Mobile Shares within a 12-month period, all transactions respectively contemplated thereunder are considered and be aggregated as one transaction at a total consideration of approximately HK\$19.9 million.

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the (i) further acquisition of 217,000 China Mobile Shares (standing alone) and (ii) acquisition of 210,000 China Mobile Shares and further acquisition of 217,000 China Mobile Shares (in aggregate) exceed 5% but less than 25%, the Further 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 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:

“Acquisition of BYD Shares”	acquisition of 43,000 BYD Shares by the Group as disclosed in this announcement
“Acquisition of China Mobile Shares”	acquisition of 210,000 China Mobile Shares by the Group as disclosed in the Announcement
“Announcement”	the announcement of the Company dated 5 January 2021 in relation to the Acquisition of China Mobile Shares
“Board”	the board of directors of the Company
“BYD”	BYD Company Limited, a joint stock company incorporated in the PRC with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 1211)
“BYD Group”	BYD and its subsidiaries
“BYD Shares”	ordinary overseas listed foreign invested shares in the share capital of BYD
“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 depositary 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
“Further Acquisition of China Mobile Shares”	further acquisition of a total of 217,000 China Mobile Shares by the Group as disclosed in this announcement
“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 the People’s Republic of China
“%”	per cent.

On behalf of the Board
Lewis Li
Executive Director & CFO

Hong Kong, 6 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*