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(Incorporated in Hong Kong with limited liability)

(Stock Code: 273)

PROFIT WARNING

This announcement is made by Mason Financial Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the unaudited management accounts of the Group for the five months ended 31 May 2016, the Group recorded a significant decline in profit in the consolidated management accounts as compared to that of the corresponding period of 2015. The loss attributable to equity holders of the Company for the five months ended 31 May 2016 is around HK\$600 million and the loss was largely resulted from the net fair value loss on investments held for trading. The Board expects the Group to record a loss of similar magnitude attributable to equity holders of the Company for the six months ending 30 June 2016 as compared to the profit attributable to equity holders of the Company of approximately HK\$554 million for the corresponding period in 2015. The Board considers that the decline of the interim results is primarily attributable to the sluggish and turbulent equity market performance during the period.

Despite the above situation, the Board considers that the overall financial position of the Group remains sound and healthy. Moreover, the Board expects the major transaction in relation to the disposal of certain subsidiaries principally engaged in securities trading and investment as described in the Company’s announcement dated 30 March 2016 to record a gain to recover part of the Group’s expected net fair value loss for the six months ending 30 June 2016 when the completion of the major

transaction is expected to take place in July 2016, subject to the Shareholders' approval at a general meeting to be convened. A circular in relation to the major transaction and the aforesaid general meeting is being finalised and will be despatched to the Shareholders as soon as possible.

The Company is still in the process of finalising the interim results of the Group for the six months ending 30 June 2016. The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited management accounts of the Group for the five months ended 31 May 2016 and information currently available. Such information has not been audited or reviewed by the Company's auditor and is subject to finalisation and adjustments (including adjustments for the Group's long-term unlisted investments, updated data of which are not yet available). Further details of the Group's performance will be disclosed in an announcement of the interim results of the Group for the six months ending 30 June 2016, which is expected to be published in late August 2016. Shareholders and potential investors are advised to read the interim results announcement of the Company when it is published.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Mason Financial Holdings Limited
Tong Tang, Joseph
Chairman

Hong Kong, 16 June 2016

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

Executive Directors:

Mr. Cheung Wing Ping
Mr. Man Wai Chuen
Ms. Lui Choi Yiu, Angela

Non-executive Directors:

Mr. Tong Tang, Joseph (Chairman)
Dr. Xia Xiaoning

Independent Non-executive Directors:

Mr. Lam Yiu Kin
Mr. Yuen Kwok On
Mr. Tian Ren Can