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(Incorporated in Hong Kong with limited liability)
(Stock Code: 273)

DISCLOSEABLE TRANSACTION — PROPOSED INVESTMENT IN HENGTAI SECURITIES CO., LTD

The Board is pleased to announce that, on 25 September 2015 (after trading hours), Nice Hill (an indirect wholly-owned subsidiary of the Company) entered into the Agreement, subject to the conditions precedent set out therein, to subscribe the Investor Shares to be issued by Hengtai at the aggregate subscription price of US\$20 million in cash, the payment of which will be financed by the Group's internal financial resources.

As the highest applicable percentage ratio calculated in accordance with the Listing Rules in respect of the Group's proposed investment in Hengtai pursuant to the Agreement is more than 5% but less than 25%, the proposed investment in Hengtai constitutes a discloseable transaction of the Company pursuant to the Listing Rules, and are subject to the reporting and announcement requirements thereunder.

PROPOSED INVESTMENT IN HENGTAI

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The principal terms of the Agreement are set out below.

PRINCIPAL TERMS OF THE AGREEMENT

Date

25 September 2015 (after trading hours).

Parties

(1) Issuer

Hengtai, which proposes to achieve a listing for its H Shares on the Hong Kong Stock Exchange.

(2) Investor

Nice Hill, which is an indirect wholly-owned subsidiary of the Company.

(3) BOCOM

BOCOM, which is one of the Joint Global Coordinators, Joint Bookrunners and the Joint Lead Managers to the Global Offering.

(4) Haitong

Haitong, which is one of the Joint Global Coordinators, Joint Bookrunners and the Joint Lead Managers to the Global Offering.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Hengtai, BOCOM, Haitong and their ultimate beneficial owners are third parties independent of the Company and its connected persons as defined under the Listing Rules. The terms of the Agreement are determined after arm's length negotiations between the parties to the Agreement.

Assets to be acquired

Upon completion of the Agreement, Nice Hill will subscribe the Investor Shares to be issued by Hengtai at the aggregate subscription price of US\$20 million. The Investor Shares will then be accounted for as the Group's financial assets at fair value through profit or loss.

Consideration and payment

The aggregate subscription price for the Investor Shares is US\$20 million.

The aggregate subscription price together with brokerage and levies will be paid by Nice Hill to Hengtai in cash by same day value credit to be credited on the Listing Date to such Hong Kong dollar bank account as may be notified to Nice Hill by the Joint Bookrunners. The Board intends to finance the payment of the aggregate subscription price by the Group's internal financial resources.

Ranking of Investor Shares

The Investor Shares, when fully paid, issued and delivered, will rank pari passu with other H Shares then in issue and to be listed on the Hong Kong Stock Exchange.

Conditions precedent of the Agreement

Nice Hill's obligation and the right under the Agreement are conditional only upon each of the following conditions having been satisfied or waived by the parties to the Agreement:

1. the underwriting agreements for the Global Offering being entered into by, inter alia, Hengtai and the Joint Global Coordinators and having become unconditional and not having been terminated by no later than the time and date as specified in those underwriting agreements in accordance with their respective original terms, or as subsequently varied by agreement of the parties thereto or waived, to the extent it may be waived, by the relevant parties;
2. the Listing Committee of the Hong Kong Stock Exchange having granted the approval for the listing of, and permission to deal in, the H Shares and that such approval or permission having not been revoked prior to the commencement of dealings in the H Shares on the Hong Kong Stock Exchange;
3. the respective representations, warranties, undertakings and acknowledgements of Nice Hill and Hengtai in the Agreement are (as of the date of this Agreement) and will be (as of the closing of the subscription of the Investor Shares) accurate and true in all material respects and not misleading and there being no material breach of this Agreement on the part of the Nice Hill; and
4. no laws shall have been enacted or promulgated which prohibit the consummation of the transactions contemplated in the Global Offering or herein and no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions.

If any of the conditions mentioned above have not been fulfilled or waived by the Parties (as the case may be) on or before the date that is one hundred and eighty (180) days after the date of this Agreement (or such other date as may be agreed among Hengtai, Nice Hill and the Joint Global Coordinators), the obligation of Nice Hill to subscribe, and Hengtai's obligation to issue and the Joint Global Coordinators' obligations to place, allocate and deliver (as the case may be), the Investor Shares shall cease and any amount paid by Nice Hill hereunder will be repaid to Nice Hill without interest and this Agreement will terminate and be of no effect and all

obligations or liabilities on the part of Hengtai or the Joint Global Coordinators shall cease and terminate, provided that termination of this Agreement shall be without prejudice to the accrued rights or liabilities of any party to the other parties in respect of the terms herein at or before such termination.

Completion of the Agreement

After fulfillment of the conditions precedent of the Agreement, the completion of the Agreement is expected to take place on the Listing Date.

Restrictions on Disposal

Pursuant to the Agreement, Nice Hill covenants with and undertook to Hengtai and each of the Joint Global Coordinators that unless it has obtained prior written consent of each of Hengtai and the Joint Global Coordinators to do otherwise, it will not whether directly or indirectly, at any time during the period of six (6) months following the Listing Date dispose of any of Investor Shares and any shares or other securities of Hengtai which are derived from the Investor Shares, including (i) any convertibles, equity-linked securities and derivatives with underlying assets being the Investor Shares (pursuant to any rights issue, capitalisation issue or other form of capital reorganisation) whether such other transaction is to be settled by delivery of the Relevant Shares or other securities in cash or otherwise (“**Relevant Shares**”) or (ii) any interest in any company or entity holding (directly or indirectly) any of the Relevant Shares.

INFORMATION ON HENGTAI

Hengtai is a company incorporated in the PRC with limited liability under the Chinese corporate name “恒泰證券股份有限公司” and carrying on business in Hong Kong as “恒投證券” (in Chinese) and “Hengtou Securities” (in English). Hengtai together with its subsidiaries are principally engaged in the business of providing a wide range of financial products and services to individuals, corporations, financial institutions and government entities through its brokerage and wealth management, investment management, proprietary trading and investment banking businesses in the PRC.

According to the information disclosed in the application proof of Hengtai, the value of the audited consolidated net assets of Hengtai as at 31 December 2014 was approximately RMB5,275 million. Further financial information of Hengtai is set out below:

	For the year ended 31 December 2014 (audited) (RMB in million)	For the year ended 31 December 2013 (audited) (RMB in million)
Profit before taxation	837.3	524.1
Profit after taxation	654.1	399.1

REASONS FOR AND BENEFITS OF THE PROPOSED INVESTMENT IN HENGTAI

The Group is principally engaged in the business of investment in securities trading, money lending, property investment and investment holding. As mentioned in the Company's interim results announcement in late August 2015, the Group has planned to develop businesses in the financial services industry in view of the opportunities therein. The Board believes that the proposed investment in Hengtai (when materializes) will complement the Group's plan to develop businesses in the financial services industry. The subscription price per Investor Share will be same as the offer price per H Share (exclusive of applicable brokerage and levies) at which the H Shares are to be issued and sold pursuant to the Global Offering. Having considered these factors, the Board considers that the terms of the Agreement are on normal commercial terms as well as fair and reasonable and the proposed investment in Hengtai is in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio calculated in accordance with the Listing Rules in respect of the proposed investment in Hengtai pursuant to the Agreement is more than 5% but less than 25%, the proposed investment in Hengtai pursuant to the Agreement constitutes a discloseable transaction of the Company pursuant to the Listing Rules, and are subject to the reporting and announcement requirements thereunder.

As completion of the Agreement is subject to the satisfaction of the conditions precedent contained in the Agreement which may or may not be fulfilled, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

The following expressions in this announcement have the meanings set out below unless the context requires otherwise:

“Agreement”	the cornerstone investment agreement dated 25 September 2015 and entered into between Hengtai, Nice Hill, BOCOM and Haitong in relation to the subscription of the Investor Shares;
“Board”	the board of directors of the Company;
“BOCOM”	BOCOM International Securities Limited, a company incorporated in Hong Kong and a licensed corporation with SFC to carry on Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 5 (advising on futures contracts) regulated activities under the SFO in Hong Kong;
“Company”	Mason Financial Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Hong Kong Stock Exchange (stock code: 273);
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules;
“Directors”	directors of the Company;
“Global Offering”	the global offering for subscription of the H Shares;
“Group”	the Company and its subsidiaries;
“Haitong”	Haitong International Securities Company Limited, a company incorporated in Hong Kong and a licensed corporation with SFC to carry on Type 1 (dealing in securities), Type 3 (leveraged foreign exchange trading) and Type 4 (advising on securities) regulated activities under the SFO in Hong Kong;

“Hengtai”	a joint stock company incorporated in the People’s Republic of China with limited liability under the Chinese corporate name “恒泰證券股份有限公司” and registered as a non-Hong Kong company under Part 16 of the Companies Ordinance, Chapter 622 of the laws of Hong Kong, under the approved names for carrying on business in Hong Kong as “恒投證券” (in Chinese) and “HENGTOU SECURITIES” (in English);
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“H Shares”	the ordinary shares in the share capital of Hengtai of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and are to be listed on the Hong Kong Stock Exchange;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Investor Shares”	such number of H Shares offered by Hengtai to Nice Hill pursuant to the Agreement;
“Joint Bookrunners”	BOCOM and Haitong acting as the joint bookrunners of the listing of Hengtai’s H Shares on the Hong Kong Stock Exchange;
“Joint Global Coordinators”	BOCOM and Haitong acting as the joint global coordinators of the listing of Hengtai’s H Shares on the Hong Kong Stock Exchange;
“Joint Lead Managers”	BOCOM and Haitong acting as the joint lead managers of the listing of Hengtai’s H Shares on the Hong Kong Stock Exchange;
“Listing Date”	the date on which the H Shares are first listed on the Hong Kong Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Nice Hill”	Nice Hill International Limited, which is an indirect wholly-owned subsidiary of the Company;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;

“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Commission Ordinance (Chapter 571 of the laws of Hong Kong);
“US\$”	US dollars, the lawful currency of the United States of America;
“%”	percent.

By order of the Board
Mason Financial Holdings Limited
Zhang Yongdong
Chairman

Hong Kong, 25 September 2015

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

Executive Directors:

Mr. Zhang Yongdong
Mr. Cheung Wing Ping
Ms. Cheung Ka Yee
Mr. Man Wai Chuen

Non-executive Director:

Dr. Xia Xiaoning

Independent Non-executive Directors:

Mr. Lam Yiu Kin
Mr. Frank H. Miu
Dr. Antonio Maria Santos