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**MASON GROUP HOLDINGS LIMITED**

**茂宸集團控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 273)**

**DISCLOSEABLE TRANSACTION  
IN RELATION TO  
SUBSCRIPTION FOR SHARES IN THE IPO OF  
ANT GROUP CO., LTD.  
AND  
POSSIBLE TRANSACTIONS IN THE OPEN MARKET**

On 29 October 2020, the Subscriber applied to subscribe for 3,000,000 Ant Group Shares with a total application money of approximately HK\$242 million in the IPO of Ant Group through Hong Kong Public Offering, inclusive of the principal amount of Ant Group Shares subscribed by the Subscriber and the related brokerage, the Stock Exchange trading fee and the SFC transaction levy.

Subsequent to the listing of the Ant Group on the Main Board of the Stock Exchange, the Subscriber may further acquire/dispose Ant Group Shares through open market transactions. The aggregate consideration of Ant Group Shares expected to be transacted through the Subscription and the Possible Transactions will be not more than HK\$300 million, where the Possible Transactions would be made only within a period of three years from the listing date of the Ant Group.

As one or more of the applicable percentage ratios as defined under the Listing Rules exceed 5% but less than 25%, the Subscription and the Possible Transactions constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **THE SUBSCRIPTION**

- Date** : 29 October 2020
- Parties** : 1. The issuer, Ant Group Co., Ltd.
2. The Subscriber, an indirect wholly-owned subsidiary of the Company

The Subscriber applied to subscribe for 3,000,000 Ant Group Shares with a total application money of approximately HK\$242 million in the IPO of Ant Group through Hong Kong Public Offering, inclusive of the principal amount of Ant Group Shares subscribed by the Subscriber and the related brokerage, the Stock Exchange trading fee and the SFC transaction levy.

The Subscription is subject to successful listing of Ant Group Shares on the Stock Exchange and final allocation of Ant Group Shares and the Subscriber may or may not be allocated with any Ant Group Shares in the IPO.

### **Offer Price**

The Offer Price is at HK\$80.0 per Ant Group Share.

The total subscription monies payable by the Subscriber shall be determined by multiplying the number of the Allocated Shares and the Offer Price plus SFC transaction levy at 0.0027%, the Stock Exchange trading fee at 0.005% and brokerage commission at 1%.

The Group funds the total application monies from its internal resources and IPO margin financing.

### **Completion of the Subscription**

The application monies have been paid on application on 29 October 2020 and subject to the final number of the Allocated Shares, the excess application monies will be refunded on 4 November 2020. According to the IPO timetable of Ant Group, the expected listing date of the Ant Group is 5 November 2020 and the Subscription will be completed when IPO becomes unconditional on the listing date. There are no restrictions on the subsequent sales of Ant Group Shares subscribed.

## **POSSIBLE TRANSACTIONS**

Subsequent to the listing of the Ant Group on the Main Board of the Stock Exchange, the Subscriber may further acquire/dispose Ant Group Shares through open market through the trading system of the Stock Exchange. The aggregate consideration of Ant Group Shares transacted through the Subscription and the Possible Transactions will be not more than HK\$300 million, where Possible Transactions would be made only within for a period of three years from the listing date of the Ant Group.

The actual consideration payable by the Subscriber under the Possible Transactions may be lower than such ceiling of HK\$300 million having regard to the then prevailing market price of Ant Group Shares and financial position of the Group that the Directors may consider appropriate from time to time. The consideration payable under the Possible Transactions will be satisfied in cash and financed by the Group's internal resources.

### **Pricing of Ant Group Shares pursuant to the Possible Transactions**

The pricing of Ant Group Shares pursuant to the Possible Transactions will be at its prevailing market price, as the same are to be made through open market.

### **Scope of authority of the Directors in the Possible Transactions**

The Subscriber will determine the number and price of Ant Group Shares subject to the Possible Transactions on each occasion and also consider the timing of the Possible Transactions, subject to the following:

- (i) no further Ant Group Shares shall be acquired when the Company is directly or indirectly interested in 5% of the issued share capital of Ant Group from time to time;
- (ii) no Possible Transactions can be made if, when aggregated with the Subscription and any other transaction pursuant to Rule 14.22 (where applicable) of the Listing Rules, such transaction will constitute a major transaction of the Company pursuant to Chapter 14 of the Listing Rules;
- (iii) any of the Possible Transactions shall be made only when the Directors reasonably consider that the Group will have sufficient internal resources and cash flow after the transactions; and
- (iv) all the Possible Transactions will be made in the open market through the trading system of the Stock Exchange.

The Company will report on the details of any of the Possible Transactions in the relevant interim and annual reports of the Company.

Since the Possible Transactions will be conducted in the open market through the trading system of the Stock Exchange, the Company will be unable to know the identities of the counterparties. The Directors will make all reasonable enquiries to confirm whether the counterparties are third parties independent of the Company and its connected persons. In the event that the Company becomes aware that any Possible Transactions are to be transacted with a connected person of the Company, the Company will comply with the applicable Listing Rules as and when necessary.

## REASONS AND BENEFITS FOR THE SUBSCRIPTION AND THE POSSIBLE TRANSACTIONS

The Group principally provides comprehensive financial services in Mainland China, Japan, South Korea and Europe, with businesses covering private banking, wealth and asset management, securities and futures brokerage, securities margin financing, corporate finance advisory services, investment in securities trading and money lending. The Group also invests in healthcare sector and mother-infant-child consumer products sector and engages in trading of securities.

According to the Prospectus, Ant Group is the leading digital payments provider and leading digital finance platform in China based on total payment volume and transaction volume. Through its mobile app Alipay's reach of over one billion users and 80 million merchants, Ant Group provides digital finance technology, customer reach and risk management solutions to partner financial institutions, enabling them to provide services in consumer credit, SMB credit, investments and insurance. The historical financial performance of Ant Group is shown below:

	<b>Year ended 31 December</b>			<b>Six months ended</b>
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>30 June</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(audited)	(audited)	(audited)	(audited)
Profit before tax	10,948,111	3,114,118	21,052,403	24,419,190
Profit after tax	8,204,743	2,156,119	18,071,921	21,923,376
	<b>As at 31 December</b>			<b>As at</b>
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>30 June</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(audited)	(audited)	(audited)	(audited)
Total assets	133,729,765	237,148,411	271,557,772	315,897,970
Total equity	65,367,659	152,383,530	189,568,358	214,930,584

According to the Prospectus, Ant Group is the largest online consumer credit and SMB credit services provider in China in terms of total outstanding credit balance originated as of 30 June 2020, the largest online investment services platform in China by AUM matched and distributed as of 30 June 2020, and the largest online insurance services platform in China in terms of premiums generated during the twelve months ended 30 June 2020. Ant Group has achieved rapid growth over the last three financial years. Having reviewed the Prospectus, including the information on the business model and business prospect of Ant Group, the Company considers that the Subscription and the Possible Transactions are attractive investments and can generate potential investment returns for the Group.

The Directors consider that the terms of the Subscription and the Possible Transactions are on normal commercial terms which are fair and reasonable and the Subscription and the Possible Transactions are in the best interests of the Company and its Shareholders as a whole.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Ant Group and their respective ultimate beneficial owner(s), are third parties independent of the Company and its connected persons.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios as defined under the Listing Rules exceed 5% but less than 25%, the Subscription and the Possible Transactions constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

“Allocated Shares”	the Ant Group Shares as may be finally allocated to the Subscriber
“Ant Group”	Ant Group Co., Ltd. (螞蟻科技集團股份有限公司), a company organized under the laws of the PRC on 19 October 2000
“Ant Group Share(s)”	the H share(s) with nominal value of RMB\$1.00 each in the share capital of Ant Group, to be listed and traded on the Main Board of the Stock Exchange
“AUM”	assets under management
“Board”	the board of Directors
“Company”	Mason Group Holdings Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Stock Exchange
“Director(s)”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$” or “Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Public Offering”	the initial offer of the Ant Group Shares for subscription by the public in Hong Kong

“IPO”	initial public offer by way of global offering
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer Price”	the offer price at HK\$80.0 per Ant Group Share
“percentage ratios”	as defined in the Listing Rules
“Possible Transactions”	the possible acquisitions/disposals of Ant Group Shares by the Subscriber (when aggregated) through open market transactions from time to time for a period of three years from the listing date of Ant Group Shares (where, inter alia, Rule 14.24 of the Listing Rules would apply)
“PRC” or “China”	People’s Republic of China, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan are excluded
“Prospectus”	the prospectus of Ant Group dated 27 October 2020
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission
“Shareholder(s)”	holder(s) of the shares of the Company
“SMB”	small and micro businesses
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Mason Strategic Investment (Asia) Limited, a company incorporated in the British Virgin Islands with limited liability, is an indirect wholly-owned subsidiary of the Company
“Subscription”	the subscription for the Allocated Shares by the Subscriber
“%”	per cent

By Order of the Board  
**Mason Group Holdings Limited**  
**Han Ruixia**  
*Executive Director and*  
*Deputy Chief Executive Officer*

Hong Kong, 29 October 2020

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

*Executive Directors:*

Ms. Han Ruixia

Mr. Zhang Zhenyi

*Non-executive Director:*

Ms. Hui Mei Mei, Carol

*Independent Non-executive Directors:*

Mr. Tian Ren Can

Mr. Wang Cong

Mr. Wu Xu'an

Mr. Ng Yu Yuet