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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
KUAISHOU TECHNOLOGY**

On 28 January 2021, the Subscriber applied to subscribe for 2,500,000 Kuaishou Shares with a total application money of approximately HK\$290 million in the IPO of Kuaishou through Hong Kong Public Offering, inclusive of the principal amount of Kuaishou Shares subscribed by the Subscriber and the related brokerage, the Stock Exchange trading fee and the SFC transaction levy.

As one or more of the applicable percentage ratios as defined under the Listing Rules exceed 5% but less than 25%, the Subscription constitutes a discloseable transaction of the Company is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE SUBSCRIPTION

Date: 28 January 2021

Parties: 1. Kuaishou Technology
2. The Subscriber, an indirect wholly-owned subsidiary of the Company

The Subscriber applied to subscribe for 2,500,000 Kuaishou Shares with a total application money of approximately HK\$290 million in the IPO of Kuaishou through Hong Kong Public Offering, inclusive of the principal amount of Kuaishou 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 Kuaishou Shares on the Stock Exchange and final allocation of Kuaishou Shares. The Subscriber may or may not be allocated with any Kuaishou Shares in the IPO. According to the IPO timetable, Kuaishou will announce the allotment results on 4 February 2021 and the expected listing date of Kuaishou is 5 February 2021.

Offer Price

The Offer Price shall be in the range of HK\$105.0 to HK\$115.0 per Kuaishou Share. According to the IPO timetable, the final price of each Kuaishou Share will be announced on 4 February 2021.

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 subscription monies have been paid on application on 28 January 2021 and subject to the final number of the Allocated Shares, the excess subscription monies will be refunded on 4 February 2021. According to the IPO timetable of Kuaishou, the expected listing date of the Kuaishou is 5 February 2021 and the Subscription will be completed when IPO becomes unconditional on the listing date. There are no restrictions on the subsequent sales of the Kuaishou Shares subscribed.

REASONS AND BENEFITS FOR THE SUBSCRIPTION

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, Kuaishou is a leading content community and social platform that provides entertainment, online marketing services, e-commerce, online games, online knowledge-sharing, and more. Users on its platform can access the rich content they have, create content through short videos or live streams, sell and purchase products, and more. Businesses on the other hand, can advertise and sell products and services on its platform. The historical financial performance of Kuaishou is shown below:

	Year ended 31 December			Nine months ended 30 September	
	2017 RMB'000 (audited)	2018 RMB'000 (audited)	2019 RMB'000 (audited)	2019 RMB'000 (unaudited)	2020 RMB'000 (audited)
Loss before tax	(19,940,501)	(12,401,064)	(19,265,467)	(1,220,502)	(98,119,055)
Loss after tax	(20,044,950)	(12,429,285)	(19,651,534)	(1,617,445)	(97,371,462)

As at 30 September 2020, the total assets and the net liabilities value of the Kuaishou was approximately RMB51,519,122,000 and RMB148,341,372,000, respectively.

According to the Prospectus, Kuaishou is the largest live streaming platform by gross billings from virtual gifting and average live streaming monthly paying users, the second largest short video platform by average daily active users, and the second largest live streaming e-commerce platform by gross merchandise value, all for the nine months ended 30 September 2020. Having reviewed the Prospectus, including the information on the business model and business prospect of Kuaishou, the Company considers that the Subscription are attractive investments and can generate potential investment returns for the Group.

The Directors consider that the terms of the Subscription are on normal commercial terms which are fair and reasonable and the Subscription 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, Kuaishou 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 constitutes discloseable transactions of the Company and is 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 Kuaishou Shares as may be finally allocated to the Company
“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\$”	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 Kuaishou Shares for subscription by the public in Hong Kong
“IPO”	initial public offer by way of global offering

“Kuaishou”	Kuaishou Technology, an exempted company incorporated in the Cayman Islands with limited liability on 11 February 2014, the shares of which is expected to be listed and traded on Main Board of the Stock Exchange (stock code: 1024)
“Kuaishou Share(s)”	the class B ordinary share(s) in the share capital of Kuaishou with a par value of US\$0.0000053 each to be listed on the main board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer Price”	the offer price at a range between HK\$105.0 and HK\$115.0 per Kuaishou Share
“percentage ratios”	as defined in the Listing Rules
“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 Kuaishou dated 26 January 2021
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Mason Strategic Investments (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, 28 January 2021

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