

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



MASON GROUP HOLDINGS LIMITED

茂宸集團控股有限公司

(Formerly known as Mason Financial Holdings Limited 民信金控有限公司)

(Incorporated in Hong Kong with limited liability)

(Stock code: 273)

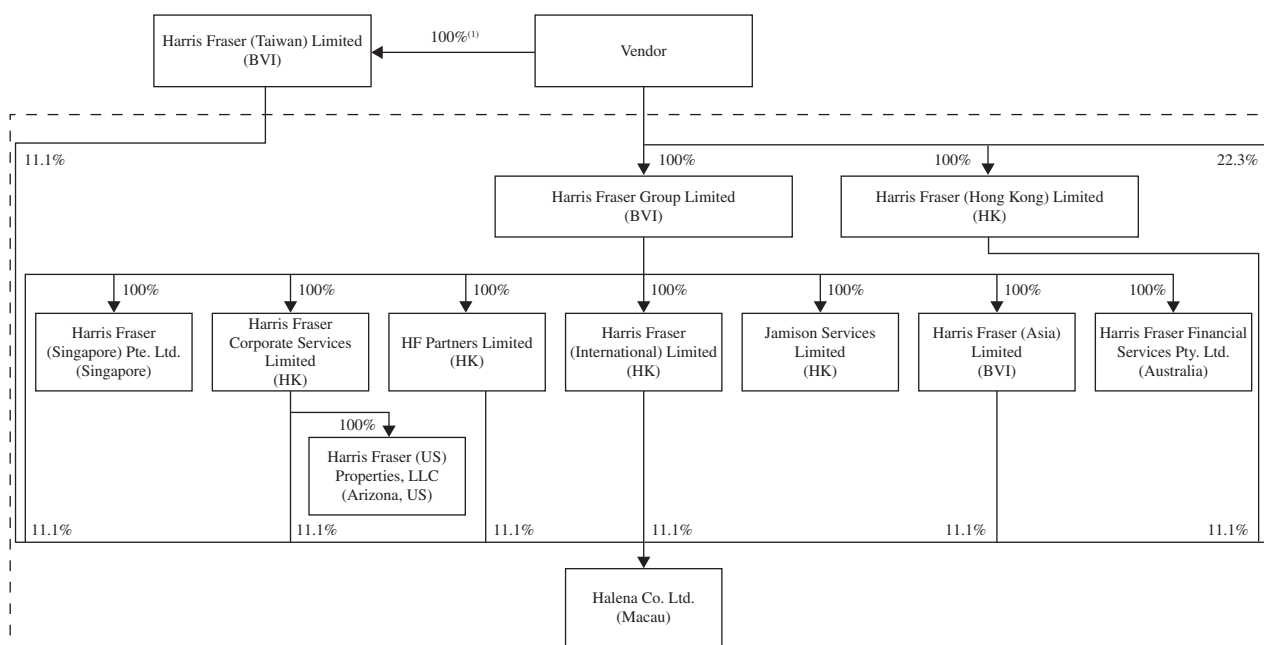
SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO MAJOR TRANSACTION ACQUISITION OF THE HFG GROUP

Reference is made to the announcement (the “**Announcement**”) of the Company dated 7 September 2017 in relation to the Acquisition. Defined terms used in the Announcement have the same meanings in this announcement.

The Company would like to provide Shareholders with further information in relation to the Acquisition.

STRUCTURE OF THE HFG GROUP BEFORE AND IMMEDIATELY AFTER COMPLETION

Group structure of the HFG Group as at the date of the Announcement

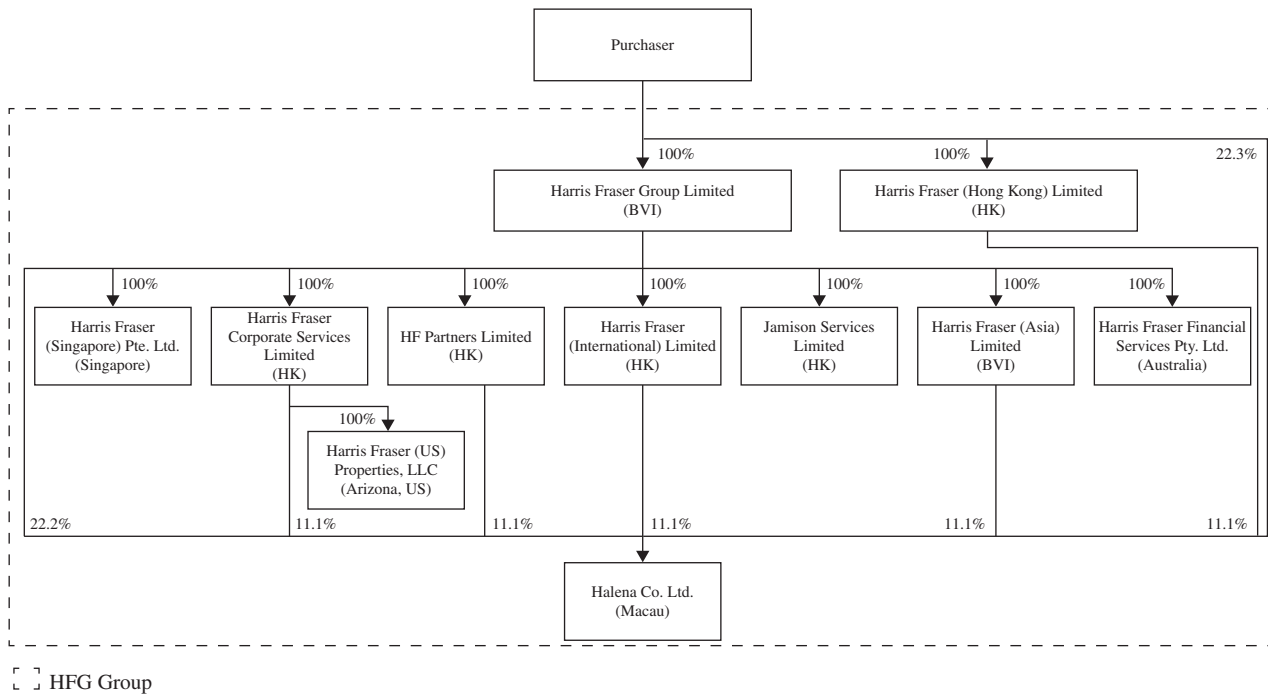


Note:

(1) Harris Fraser Taiwan is indirectly owned as to 100% by the Vendor.

[] HFG Group

Group structure of the HFG Group immediately after the Completion



The Macau Company is directly and indirectly wholly owned by the Vendor as at the date of the Announcement. After Completion, the HFG Group, including the subsidiaries of HFG, Harris Fraser HK and the Macau Company will be wholly owned by the Purchaser. As such, the financial information of the HFG Group will be consolidated into the Company's financial statement after Completion.

BACKGROUND OF THE VENDOR

The Vendor has worked in the HFG Group since 1990 and has been appointed as the Chairman and Executive Director of the HFG Group since 2000. The Vendor is the responsible officer for the Type 1, Type 4 and Type 9 licenses of Harris Fraser International. Since 2002, the Vendor has served as the Chairman of the Investment-linked Sub-committee of the Professional Insurance Brokers Association. The Vendor graduated from Central Pacific University in USA in 1999 with a degree of Master of Business Administration.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, The Vendor did not have other relationship (including shareholding, business, previous disposal or otherwise) with the Company and its connected persons.

BASIS OF THE CONSIDERATION

Without taking into account any potential adjustment, the aggregate consideration for the Sale Shares shall be HK\$116,500,000, which is lower than the valuation of the HFG Group provided by the independent valuer. The Consideration was determined by the parties after arm's length negotiations. In addition to the valuation report results, the Company has also taken into account, among other things, the financial performance, business growth and prospects of the HFG Group, the control premium of 100% stake of a well-established

independent financial advisory services platform, and the synergies between the HFG Group and the Group to be created which is essential for the Group to become a comprehensive health and wealth solutions provider.

ADJUSTMENT TO THE CONSIDERATION

The Guaranteed Profits of HK\$7,500,000 were determined with reference to historical net profit after tax of the HFG Group for FY2017, i.e. approximately HK\$7,692,000, according to the unaudited combined management accounts of the HFG Group prepared in accordance with Hong Kong Financial Reporting Standards.

The multiple of 15 times in determining the Adjusted Amount for FY2019 was determined based on the implied historical price to earnings multiple for FY2017 as represented by the Consideration of the Acquisition, which is approximately 15 times.

By order of the Board
Mason Group Holdings Limited
Ko Po Ming
Joint Chairman and Chief Executive Officer

Hong Kong, 19 September 2017

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

Executive Directors:

Mr. Ko Po Ming (*Joint Chairman and Chief Executive Officer*)

Mr. Chang Tat Joel

Ms. Lui Choi Yiu, Angela

Ms. Fu Yau Ching Shirley

Non-executive Directors:

Mr. Tong Tang, Joseph (*Joint Chairman*)

Ms. Hui Mei Mei, Carol

Independent Non-executive Directors:

Mr. Tian Ren Can

Ms. Kan Lai Kuen, Alice

Mr. Chen Wai Chung Edmund