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FUTURE WORLD FINANCIAL HOLDINGS LIMITED

未來世界金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

DISCLOSEABLE TRANSACTION DISPOSALS OF LISTED SECURITIES

The Board announces that in a series of transactions conducted during 26 February 2019 to 30 October 2019, the Group has disposed of a total of 321,230,000 CMBC Shares at a total consideration of approximately HK\$47,082,000 (excluding stamp duty and related expenses).

As certain applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposals exceed 5% but less than 25%, the Disposals constitute a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules.

THE DISPOSALS

During 26 February 2019 to 30 October 2019, the Group, through the Seller (which is a wholly owned subsidiary of the Company), has disposed of a total of 321,230,000 CMBC Shares at a total consideration of approximately HK\$47,082,000 (excluding stamp duty and related expenses), at the price between HK\$0.128 to HK\$0.300 per CMBC Share. The average price (excluding stamp duty and related expenses) for the Disposals of each CMBC Share was approximately HK\$0.147.

Among the 321,230,000 CMBC Shares, as to 86,860,000 CMBC Shares were disposed on the open market and the identities of the counterparties of the open market Disposals cannot be ascertained. To the best of knowledge, information and belief of the Directors and having made all reasonable enquiries, the counterparties and the ultimate beneficial owner(s) of the counterparties of the open market Disposed Shares are Independent Third Parties.

Among the 321,230,000 CMBC Shares, as to 234,370,000 CMBC Shares were disposed on 30 October 2019 to the Purchaser at the total consideration of HK\$29,999,360. The Purchaser is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holdings. To the best of knowledge, information and belief of the Directors and having made all reasonable enquiries, the Purchaser's ultimate beneficial owner is China Minsheng Banking Corp., Ltd. and the Purchaser and its ultimate beneficial owner are Independent Third Parties.

The Seller is a wholly owned subsidiary of the Company incorporated in Hong Kong with limited liability and is principally engaged in investment holdings.

The consideration for the Disposal of CMBC Shares to the Purchaser was determined after arm's length negotiations between the Seller and the Purchaser on normal commercial terms with reference to (i) the recent market performance of the CMBC Shares; and (ii) the factors mentioned in the section headed "Reasons for the Disposals and use of proceeds" in this announcement.

The Disposed Shares represent approximately 0.67% of the total issued shares of CMBC as at the date of this announcement.

INFORMATION ON CMBC

CMBC is a company incorporated in Bermuda with limited liability which together with its subsidiaries are principally engaged in the business of brokerage and related services, securities investment and provision of finance as at the date of this announcement. CMBC is a company listed on the main board of the Stock Exchange (stock code: 1141).

The following information is extracted from the 2018 annual report of CMBC for the year ended 31 December 2018 and for the nine months from 1 April 2017 to 31 December 2017 respectively:

	Year ended 31 December 2018	Nine months from 1 April 2017 to 31 December 2017
	<i>HK\$'Million</i>	<i>HK\$'Million</i>
Revenue	791,190	165,180
Profit before tax	284,737	129,903
Profit attributable to shareholders	245,196	118,268

Based on CMBC's 2018 annual report, the CMBC Group has an audited net asset value of approximately HK\$1,876 million as at 31 December 2018 and HK\$1,280 million as at 31 December 2017 respectively.

REASONS FOR THE DISPOSALS AND USE OF PROCEEDS

The principal activity of the Company is investment holding. The subsidiaries of the Company are principally engaged in (i) securities trading and investment; (ii) provision of financing services; (iii) property investment, (iv) e-commerce business and (v) trading business and related services.

The Company acquired the CMBC Shares for investment purpose. Having regard to the current market conditions, the Board decided to have an investment portfolio with less securities investments and to solidify the financial and cash position of the Group. As a result of the Disposals, the Group is expected to recognize a loss of approximately HK\$57,000,000 which will affect the other comprehensive income of the Group for the year ending 31 December 2019 and is calculated on the basis of the difference between the market value of the Disposed Shares as at 1 January 2019 and the disposal prices (excluding stamp duty and related expenses). There would also be a transfer of approximately HK\$65,000,000 from the fair value reserve to the retained earnings. The proceeds of the Disposals will be used by the Company for repayment of margin loans. For the avoidance of doubt, the actual gain or loss as a result of the Disposals to be recorded by the Group is subject to final audit to be performed by the Company's auditors.

The open market Disposals were made at market prices and the Disposal of CMBC Shares to the Purchaser was determined after arm's length negotiations between the Seller and the Purchaser on normal commercial terms. The Board is of the view that the Disposals are on normal commercial terms, and that the terms are fair, reasonable and in the interests of the Company and its shareholders as a whole.

As at the date of this announcement and after the Disposals, the Group remains to hold 1,753,230,000 CMBC Shares, representing approximately 3.675% of the total issued shares of CMBC as at the date of this announcement.

Further announcement(s) will be made as and when appropriate if further disposal(s) of CMBC Shares will result in higher transaction classification under Chapter 14 of the Listing Rules.

IMPLICATIONS UNDER THE LISTING RULES

As certain applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposals exceed 5% but less than 25%, the Disposals constitute a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“CMBC”	CMBC Capital Holdings Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the main board of the Stock Exchange (stock code: 1141)
“CMBC Group”	CMBC and its subsidiaries
“CMBC Shares”	ordinary shares of HK\$0.01 each in the share capital of CMBC
“Company”	Future World Financial Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on Main Board of the Stock Exchange
“Directors”	director(s) of the Company
“Disposals”	the disposals of the Disposed Shares by the Group
“Disposed Shares”	an aggregate of 321,230,000 CMBC Shares, representing approximately 0.67% of the entire issued share capital of CMBC as at the date of this announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buy-backs) with any of the connected persons of the Company or any of their respective associates (as defined under the Listing Rules)

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	CMBC International Investment Limited
“Seller”	Golden Horse Hong Kong Investment Limited, a wholly owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Future World Financial Holdings Limited
Wang Fei
Chairman

Hong Kong, 30 October 2019

As at the date of this announcement, the Board comprises (i) seven executive Directors, namely Mr. Wang Fei, Mr. Liang Jian, Mr. Yu Zhenzhong, Mr. Cai Linzhan, Mr. Lau Fai Lawrence, Mr. Siu Yun Fat and Mr. Yu Qingrui; and (ii) four independent non-executive Directors, namely Mr. Chen Pei, Mr. Siu Siu Ling, Robert, Mr. Tam Tak Wah and Mr. Zheng Zongjia.