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基石金融控股有限公司
CORNERSTONE FINANCIAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8112)

DISCLOSEABLE TRANSACTION
DISPOSAL OF SUBSIDIARY

THE DISPOSAL

On 17 September 2025 (after trading hours), the Vendor, a direct wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Shares, representing the entire issued share capital of the Target Company held by the Vendor as the registered holder and beneficial owner thereof, for a total cash consideration of HK$3,000,000.

Upon Completion, the Vendor will no longer hold any interest in the Target Company, and the Target Company will cease to be accounted as subsidiary of the Group. Accordingly, the Target Company's financial results, assets and liabilities will cease to be consolidated into the Company's consolidated financial statements.

GEM LISTING RULES IMPLICATION

As one or more applicable percentage ratios (as defined under Rule 19.07 of the GEM Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal contemplated under the Sale and Purchase Agreement constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

INTRODUCTION

On 17 September 2025 (after trading hours), the Vendor, a direct wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Shares, representing the entire issued share capital of the Target Company held by the Vendor as the registered holder and beneficial owner thereof, for a total cash consideration of HK$3,000,000 in accordance with and subject to the terms and conditions of the Sale and Purchase Agreement.

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are set out below:

Date: 17 September 2025

Parties: (a) the Vendor, a direct wholly-owned subsidiary of the Company; and

(b) the Purchaser.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

Assets to be disposed of

Pursuant to the Sale and Purchase Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Shares, representing the entire issued share capital of the Target Company held by the Vendor as the registered holder and beneficial owner thereof, free from Encumbrance whatsoever, together with all rights attached thereto, at the Consideration.

Consideration

The Consideration of HK$3,000,000 shall be paid by the Purchaser to the Vendor in cash at Completion.

Basis for determination of the Consideration

The Consideration was determined after arm's length negotiations and on normal commercial terms between the Vendor and the Purchaser having regard to the unaudited carrying value of the Group's interest in the Target Company of net liabilities as at 30 June 2025, the prevailing market conditions, the financial performance of the Target Company, as well as other factors as set out in the paragraph headed "Reasons for and Benefits of the Disposal". The Directors consider that the Consideration was fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions precedent to the Completion

Pursuant to the Sale and Purchase Agreement, the obligations of the Vendor and the Purchaser are conditional upon fulfillment or (if applicable) waiver of the following conditions:

(i) the Sale and Purchase Agreement remaining effective;

(ii) the Purchaser being satisfied, in its sole and absolute discretion, in all material respects with the results of the due diligence review to be carried out by the Purchaser on the Target Company, including but not limited to, the obtaining of a valuation report on the business of the Target Company issued by independent professional valuers;

(iii) the obtaining of all necessary approvals by the board of directors of each of the Company, the Vendor, the Purchaser and the Target Company (in each case as necessary) in respect of the Disposal;

(iv) the warranties given by the Vendor and the Purchaser under the Sale and Purchase Agreement remaining true, accurate and not misleading in all material respects upon repetition of the same immediately prior to the Completion with reference to the facts and circumstances then existing; and

(v) the Company having complied with the relevant disclosure requirements of the GEM Listing Rules in relation to the Disposal.

If the above conditions have not been fulfilled or if applicable, waived on or before 26 September 2025 or such later date as the Vendor and the Purchaser may agree in writing, subject to the liability of any party to the other in respect of any antecedent breaches, the Sale and Purchase Agreement will be null and void and of no effect.

Completion

Completion of the transactions contemplated under the Sale and Purchase Agreement shall take place on the 2nd Business Day immediately after all of the above conditions precedent have been fulfilled or waived (as the case may be), which shall be no later than 30 September 2025, or such other date as the Vendor and the Purchase may agree in writing.

Upon Completion, the Vendor will no longer hold any interest in the Target Company, and the Target Company will cease to be accounted as subsidiary of the Group. Accordingly, the Target Company's financial results, assets and liabilities will cease to be consolidated into the Company's consolidated financial statements.

INFORMATION ON THE TARGET COMPANY

The Target Company is a company incorporated in Singapore with limited liability and is principally engaged in the provision of out-of-home advertising services in Singapore. It is a direct wholly-owned subsidiary of the Vendor and an indirect wholly-owned subsidiary of the Company as at the date of the Sale and Purchase Agreement up to the date of this announcement. Set out below is the financial information of the Target Company for the two financial years ended 31 December 2023 and 2024 and the six months ended 30 June 2025:

	For the six months ended 30 June 2025 (unaudited)		**For the year ended 31 December 2024** (audited)		**For the year ended 31 December 2023** (audited)	
	SG$'000	*HK$'000*	*SG$'000*	*HK$'000*	*SG$'000*	*HK$'000*
Revenue	1,213	7,278	2,133	12,542	2,378	13,864
Profit/(Loss) before taxation	(123)	(738)	293	1,723	(28)	(163)
Profit/(Loss) after taxation	(123)	(738)	293	1.723	(28)	(163)

Based on the unaudited financial information of the Target Company, unaudited net liabilities of the Target Company as at 30 June 2025 was approximately SG$8.9 million (equivalent to approximately HK$54.8 million).

The financial information above has been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants and Singapore Financial Reporting Standards issued by the Accounting Standard Committee (as the case may be).

INFORMATION ON THE VENDOR AND THE GROUP

The Vendor is an investment holding company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of the Company.

The Group is principally engaged in (i) provision of financial services business including securities dealings and brokerage services and margin financing services; and (ii) provision of advertising and media services including out-of-home advertising services.

INFORMATION ON THE PURCHASER

The Purchaser is an investment holding company incorporated in the BVI with limited liability. To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiry, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

FINANCIAL EFFECTS OF THE DISPOSAL AND USE OF PROCEEDS

The estimated gain on the disposal is approximately HK$3.8 million. Such unaudited gain is estimated after taking into account of (i) the Consideration; (ii) the unaudited carrying value of the Group's interest in the Target Company, and (iii) all relevant expenses incidental to the Disposal. The above estimation is for information purpose only. The actual amount of gain to be recorded in the consolidated statement of profit or loss of the Group for the year ending 31 December 2025 will be subject to final audit by the auditors of the Company, therefore may be different from the figure provided above.

Following Completion, the Group will cease to hold any interest in the Target Company. The financial position and operating results of the Target Company shall no longer be consolidated into the financial statements of the Group.

It is intended that the net proceeds from the Disposal will be used for general working capital of the Group and its future capital needs for its business development.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The advertising industry has been experiencing structural changes aligned with a significant shift in marketing landscape from the traditional media spending to online and social media platforms. Taking into consideration the financial performance of the Target Company and the changing business environment, it is believed that the entering into of the Sale and Purchase Agreement and the Disposal as contemplated thereunder would (i) offer an opportunity for the Group to realize a premium over the book value of the Target Company; (ii) allow the Group to streamline its operations and to allocate management and financial resources to markets where the Group has a stronger local expertise; (iii) generate immediate cash inflow to strengthen the general working capital of the Group and for the future capital needs for its business development; and (iv) the Disposal is in line with the business strategy of the Group, as it will enable the Group to remain resilient in the course of business development and to conserve financial resources if business opportunities with growth potential arise.

In light of the above reasons, the Directors are of the view that the Sale and Purchase Agreement was entered into on normal commercial terms which are fair and reasonable and the entering into of the Sale and Purchase Agreement and the Disposal as contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one or more applicable percentage ratios (as defined under Rule 19.07 of the GEM Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal contemplated under the Sale and Purchase Agreement constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

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

"Board"	the board of Directors
"Business Day"	a day (other than a Saturday, Sunday, public holiday or a day on which a tropical cyclone warning No. 8 or above or a "black rainstorm warning signal" is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks in Hong Kong are generally open for normal banking business
"Company"	Cornerstone Financial Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued shares are listed on the GEM of the Stock Exchange (stock code: 8112)
"Completion"	completion of the Disposal pursuant to the terms of the Sale and Purchase Agreement
"Consideration"	HK$3,000,000, being the total amount to be paid by the Purchaser to the Vendor for the Sale Shares in the manner as set out in the Sale and Purchase Agreement
"Director(s)"	directors of the Company
"Disposal"	the sale of the Sale Shares by the Vendor to the Purchaser pursuant to the terms of the Sale and Purchase Agreement
"Encumbrance"	Includes any right to acquire, option or right of preemption; any mortgage, charge, pledge, lien, assignment, hypothecation, security interest (including any created by law), title retention or other security agreement or arrangement

"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
"Group"	the Company and its subsidiaries
"Independent Third Party(ies)"	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third party(ies) independent of the Company and its connected persons in accordance with the GEM Listing Rules
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"PRC"	The People's Republic of China
"Purchaser"	Excellent Investment Services Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is legally and beneficially wholly-owned by Mr. Yau Chung Ping, a Hong Kong resident and an Independent Third Party
"Sale and Purchase Agreement"	the agreement dated 17 September 2025 entered into between the Vendor and the Purchaser in respect of the Sale Shares
"Sale Shares"	5,000 ordinary shares in the share capital of the Target Company, representing its entire issued share capital
"SG$"	Singapore dollar(s), the lawful currency of Singapore
"Shareholders"	shareholders of the Company
"Singapore"	the Republic of Singapore
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Focus Media Singapore Pte. Limited, a company incorporated in Singapore with limited liability and a direct wholly-owned subsidiary of Vendor

"Vendor"	Focus Media Network Limited, a company incorporation in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company
"%"	per cent.

By Order of the Board
CORNERSTONE FINANCIAL HOLDINGS LIMITED
Fan Yandi
Chairperson and Executive Director

Hong Kong, 17 September 2025

As at the date of this announcement, the Board comprises Ms. Fan Yandi (Chairperson), Mr. An Xilei, Mr. Wong Hong Gay Patrick Jonathan, Mr. Mock Wai Yin, Mr. Liu Shihao and Mr. An Xishuai as executive Directors; and Mr. Chan Chi Keung Alan, Ms. Lau Mei Ying and Mr. Wong Man Hong as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its posting. This announcement will also be posted on the Company's website at www.cs8112.com.