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**Active Dynamic Limited**

*(Incorporated in British Virgin Islands with limited liability)*

**金利豐金融集團有限公司  
KINGSTON FINANCIAL GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 01031)**

## **JOINT ANNOUNCEMENT**

**(1) PROPOSED PRIVATISATION OF  
KINGSTON FINANCIAL GROUP LIMITED  
BY ACTIVE DYNAMIC LIMITED  
BY WAY OF A SCHEME OF ARRANGEMENT  
UNDER SECTION 99 OF THE COMPANIES ACT;**

**(2) PROPOSED WITHDRAWAL OF LISTING OF  
KINGSTON FINANCIAL GROUP LIMITED;**

**(3) RESULTS OF THE SCHEME MEETING AND THE SGM;**

**AND**

**(4) CLOSURE OF REGISTER OF MEMBERS**

**Financial Adviser to the Offeror**

**Nuada Limited**

**Financial Adviser to the Company**

 **金利豐財務顧問  
KINGSTON CORPORATE FINANCE**

**Independent Financial Adviser**

**ALTUS CAPITAL LIMITED**

## INTRODUCTION

References are made to the scheme document (the “**Scheme Document**”) jointly issued by Active Dynamic Limited (the “**Offeror**”) and Kingston Financial Group Limited (the “**Company**”) dated 17 January 2023 in relation to, among other things, the proposed privatisation of the Company by the Offeror by way of a scheme of arrangement under section 99 of the Companies Act (the “**Proposal**”) and the proposed withdrawal of listing of the Company, the announcement dated 17 January 2023 jointly issued by the Offeror and the Company in relation to, among other things, the despatch of the Scheme Document and the announcement dated 20 January 2023 jointly issued by the Offeror and the Company in relation to, among other things, the update on the expected timetable. Unless otherwise defined, capitalised terms used in this joint announcement shall have the same meanings as those used in the Scheme Document.

## RESULTS OF THE SCHEME MEETING

The Scheme Meeting was convened and held at 72/F, The Center, 99 Queen’s Road Central, Central, Hong Kong at 10:00 a.m. on Thursday, 9 February 2023 for the purpose of considering and, if thought fit, approving (with or without modifications) the Scheme. Scheme Shareholders whose names appeared on the Register as at the Meeting Record Date were entitled to attend and vote, in person or by proxy, at the Scheme Meeting.

In compliance with both Section 99 of the Companies Act and Rule 2.10 of the Takeovers Code, the approval required to be obtained at the Scheme Meeting in respect of the Scheme were as follows:

- (1) the approval of the Scheme (by way of poll) by a majority in number of the Scheme Shareholders present and voting either in person or by proxy at the Scheme Meeting, representing not less than 75% in value of those Scheme Shares that are voted either in person or by proxy by the Scheme Shareholders at the Scheme Meeting;
- (2) the approval of the Scheme (by way of poll) by at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Scheme Shareholders that are voted either in person or by proxy at the Scheme Meeting; and
- (3) the number of votes cast (by way of poll) by the Disinterested Scheme Shareholders present and voting either in person or by proxy at the Scheme Meeting against the resolution to approve the Scheme at the Scheme Meeting is not more than 10% of the votes attaching to all of the Scheme Shares held by the Disinterested Scheme Shareholders.

The poll results in respect of the resolution to approve the Scheme at the Scheme Meeting were as follows:

	<b>Votes cast in person or by proxy (Approximately %)</b>		
	<b>Total number</b>	<b>For the Scheme</b>	<b>Against the Scheme</b>
Number of Scheme Shareholders who were present and voting <i>(Note 2)</i>	57 (100%)	44 (77.1930%)	13 (22.8070%)
Number of Scheme Shares held by the Scheme Shareholders who were present and voting <i>(Note 3)</i>	2,777,443,791 (100%)	2,774,377,750 (99.8896%)	3,066,041 (0.1104%)
Number of votes cast by the Disinterested Scheme Shareholders who were present and voting <i>(Note 3)</i>	2,777,443,791 (100%)	2,774,377,750 (99.8896%)	3,066,041 (0.1104%)
Approximate percentage of (i) 3,066,041 Ordinary Shares, being the number of votes cast by the Disinterested Scheme Shareholders against the Scheme over (ii) 3,412,316,693 Ordinary Shares, being the number of votes attaching to all the Scheme Shares held by the Disinterested Scheme Shareholders			0.0899%

*Notes:*

- All percentages are rounded to 4 decimal places.
- In accordance with the direction from the Bermuda Court, HKSCC Nominees Limited will be counted as one Scheme Shareholder at the Scheme Meeting and may vote for or against the Scheme according to the majority of voting instructions it received. Based on the vote results as disclosed in Note 3 below, for the purpose of calculating the “majority in number”, the vote of HKSCC Nominees Limited was counted as voted in favour of the resolution to approve the Scheme.
- A total number of 13 CCASS Participants (including any Investor Participants) holding 737,713,100 Scheme Shares voted in favour of the resolution to approve the Scheme, and a total number of 7 CCASS Participants (including any Investor Participants) holding 2,994,000 Scheme Shares voted against the resolution to approve the Scheme at the Scheme Meeting. Details of the number of votes cast in favour of and against the Scheme and the number of CCASS Participants and Investor Participants on whose instructions HKSCC Nominees Limited casts its votes are set out below:

<b>Voted for the Scheme</b>		<b>Voted against the Scheme</b>	
<b>Number of CCASS Participants</b>	<b>Number of Scheme Share(s) represented</b>	<b>Number of CCASS Participants</b>	<b>Number of Scheme Share(s) represented</b>
13	737,713,100	7	2,994,000
<b>Number of Investor Participants</b>	<b>Number of Scheme Share(s) represented</b>	<b>Number of Investor Participants</b>	<b>Number of Scheme Share(s) represented</b>
0	0	0	0

The above information will be disclosed to the Bermuda Court.

Accordingly:

- (1) the resolution proposed at the Scheme Meeting to approve the Scheme was duly passed (by way of poll) by:
  - (i) a majority in number of the Scheme Shareholders present and voting either in person or by proxy at the Scheme Meeting representing not less than 75% in value of those Scheme Shares that were voted either in person or by proxy by the Scheme Shareholders at the Scheme Meeting; and
  - (ii) at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Scheme Shareholders that were voted either in person or by proxy at the Scheme Meeting; and
- (2) the number of votes cast (by way of poll) by the Disinterested Scheme Shareholders present and voting either in person by proxy at the Scheme Meeting against the resolution to approve the Scheme at the Scheme Meeting was not more than 10% of the votes attaching to all of the Scheme Shares held by the Disinterested Scheme Shareholders.

Therefore, the resolution proposed at the Scheme Meeting to approve the Scheme was duly passed pursuant to both section 99 of the Companies Act and Rule 2.10 of the Takeovers Code.

As at the date of the Scheme Meeting:

- (1) the Company had 13,614,480,666 Ordinary Shares and 3,750,000,000 Convertible Preference Shares in issue;
- (2) the Offeror held 10,157,205,895 Ordinary Shares and 3,750,000,000 Convertible Preference Shares, representing approximately 74.606% and 100% of the total number of the issued Ordinary Shares and Convertible Preference Shares, respectively;
- (3) the Offeror Concert Parties held 44,958,078 Ordinary Shares in aggregate, representing approximately 0.330% of the total number of the issued Ordinary Shares;
- (4) the total number of Ordinary Shares entitled to be voted at the Scheme Meeting in respect of the Scheme for the purposes of section 99 of the Companies Act was 3,457,274,771 Ordinary Shares, representing approximately 25.394% of the total number of the issued Ordinary Shares; and
- (5) the total number of Scheme Shares held by the Disinterested Scheme Shareholders entitled to vote at the Scheme Meeting in respect of the Scheme for the purposes of Rule 2.10 the Takeovers Code was 3,412,316,693 Ordinary Shares, representing approximately 25.064% of the total number of the issued Ordinary Shares.

As disclosed in the Scheme Document, the Shares in which the Offeror is interested will not form part of the Scheme Shares and will not be cancelled and extinguished upon the Scheme becoming effective; while the Ordinary Shares held by the Offeror Concert Parties will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective. It was also disclosed in the Scheme Document that the Offeror Concert Parties will abstain from voting at the Scheme Meeting and none of the Offeror Concert Parties voted at the Scheme Meeting for the approval of the Scheme.

Save as disclosed above, none of the Scheme Shareholders were required to abstain from voting at the Scheme Meeting in accordance with the Takeovers Code, there were no Scheme Shares entitling the holders thereof to attend where such holders were required to abstain from voting in favour of the Scheme pursuant to Rule 13.40 of the Listing Rules, and no Scheme Shareholder was required under the Listing Rules to abstain from voting in respect of the Scheme at the Scheme Meeting, nor did any person state any intention in the Scheme Document to vote against or to abstain from voting in respect of the Scheme at the Scheme Meeting.

Tricor Abacus Limited, the Registrar, acted as the scrutineer for the vote-taking at the Scheme Meeting.

## **RESULTS OF THE SGM**

The SGM was convened and held at 72/F, The Center, 99 Queen's Road Central, Central, Hong Kong on Thursday, 9 February 2023 at 11:00 a.m., for the purpose of considering and, if thought fit, passing of the special resolution as set out in the notice of the SGM dated 17 January 2023.

The poll results in respect of the special resolution proposed at the SGM were as follows:

Special resolution	Votes cast in person or by proxy (Approximately %)		
	Total	For	Against
<p>“THAT for the purposes of giving effect to the Scheme between the Company and the Scheme Shareholders as set out in the Scheme Document and subject to the approval of the Scheme by the Scheme Shareholders at the Scheme Meeting:</p> <p>(a) on the Effective Date (as defined in the Scheme Document), any reduction of the issued share capital of the Company associated with the cancellation and extinguishment of the Scheme Shares be and is hereby approved;</p> <p>(b) subject to and simultaneously with the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company shall be restored to its former amount by issuing at par to the Offeror such number of new Ordinary Shares as is equal to the number of Scheme Shares cancelled and extinguished, credited as fully paid, by applying the credit created in the books of account of the Company as a result of the cancellation and extinguishment of the Scheme Shares in paying up in full at par such new Ordinary Shares; and</p> <p>(c) any one Director be and is hereby authorised to do all acts and things as considered by him/her to be necessary or desirable in connection with the implementation and completion of the Proposal, including, without limitation, the giving of consent to any modifications of, or additions or conditions to, the Scheme, which the Bermuda Court may see fit to impose and to do all other acts and things as considered by him/her to be necessary or desirable in connection with the Proposal or in order to give effect to the transactions referred to above.”</p>	<p>12,897,959,488 (100%)</p>	<p>12,894,727,445 (99.9749%)</p>	<p>3,232,043 (0.0251%)</p>

*Note:*

1. All percentages are rounded to 4 decimal places.

Accordingly, the special resolution proposed at the SGM was duly passed by a majority of not less than 75% of the votes casted by the Shareholders, present and voting either in person or by proxy at the SGM.

As at the date of the SGM, the total number of the Ordinary Shares entitling the Shareholders to attend and vote for or against the special resolution in person or by proxy at the SGM was 13,614,480,588 Ordinary Shares. As disclosed in the Scheme Document, the Company holds 78 Ordinary Shares as treasury shares as a result of previous share consolidations of the Company and those treasury shares were not entitled to vote at the SGM. It was also disclosed in the Scheme Document that the Company will abstain from voting at the SGM and accordingly the Company did not vote at the SGM.

Save as disclosed above, there were no Shares entitling the holders thereof to attend where such holders were required to abstain from voting in favour of the special resolution at the SGM pursuant to Rule 13.40 of the Listing Rules, and no Shareholder was required under the Takeovers Code and the Listing Rules to abstain from voting on the resolution at the SGM nor did any person state any intention in the Scheme Document to vote against or to abstain from voting on any resolution at the SGM.

As disclosed in the Scheme Document, the Offeror and the Offeror Concert Parties (except for the Company) have indicated that, if the Scheme is approved at the Scheme Meeting, he/she/it will vote in favour of the special resolution to be proposed at the SGM. As at the Meeting Record Date and the date of the SGM, the Offeror and the Offeror Concert Parties (except for the Company) held in aggregate 10,202,163,895 Ordinary Shares, representing approximately 74.936% of the total number of the issued Ordinary Shares, of which 10,157,205,895 Ordinary Shares have been voted in favour of the special resolution at the SGM.

Tricor Abacus Limited, the Registrar, acted as the scrutineer for the vote-taking at the SGM.

## **STATUS OF THE SATISFACTION OF CONDITIONS OF THE PROPOSAL**

As disclosed in the paragraph headed “Conditions of the Proposal and the Scheme” under the section headed “Terms of the Proposal” in the Explanatory Statement in Part VI of the Scheme Document, the implementation of the Proposal (including the effectiveness of the Scheme) is subject to the satisfaction or waiver (as applicable) of a number of Conditions.

As at the date of this joint announcement, Conditions (a) to (c) have been satisfied and Conditions (d) to (i) remain outstanding.

Subject to the outstanding Conditions being satisfied or waived (as applicable), the Scheme is expected to become effective on Wednesday, 22 February 2023 (Bermuda time).

## **PROPOSED WITHDRAWAL OF THE LISTING OF THE ORDINARY SHARES**

Subject to the fulfilment of the Conditions and the Scheme becoming effective, the withdrawal of the listing of the Ordinary Shares on the Stock Exchange is expected to take place with effect from 9:00 a.m. on Monday, 27 February 2023.

### **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the entitlements under the Scheme, the Register will be closed from Thursday, 16 February 2023 onwards (or such other date as may be notified to the Scheme Shareholders by announcement). During such period, no transfer of Ordinary Shares will be effected. In order to qualify for entitlements under the Scheme, Scheme Shareholders should ensure that the transfer of the Ordinary Shares to them are lodged with the Registrar, Tricor Abacus Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration in their names or in the names of their nominees by not later than 4:30 p.m. on Wednesday, 15 February 2023.

### **PAYMENT OF THE CANCELLATION PRICE TO THE SCHEME SHAREHOLDERS**

Upon the Scheme becoming effective, cheques in respect of the Cancellation Price for the Scheme Shares will be made to the Scheme Shareholders whose names appear on the Register as at the Scheme Record Date as soon as possible but in any event within seven (7) Business Days following the Effective Date. On the basis that the Scheme becomes effective on Wednesday, 22 February 2023 (Bermuda time), cheques for payment of the Cancellation Price payable under the Scheme are expected to be despatched on or before Friday, 3 March 2023.

### **EXPECTED TIMETABLE**

The timetable set out below is indicative only and is subject to change. Any changes to the timetable will be jointly announced by the Offeror and the Company. All references in this joint announcement to times and dates are references to Hong Kong times and dates, other than references to the expected dates of the Court Hearing and the Effective Date which are the relevant times and dates in Bermuda. For reference only, Bermuda time is 12 hours behind Hong Kong time as at the date of this joint announcement.

Expected last day for trading in the  
Ordinary Shares on the Stock Exchange . . . . . Friday, 10 February 2023

Latest time for lodging transfers of  
Ordinary Shares documents to qualify for  
entitlements under the Scheme . . . . . 4:30 p.m. on  
Wednesday, 15 February 2023

Closure of the register of members  
for determining entitlements under  
the Scheme <sup>(Note 1)</sup> . . . . . from Thursday,  
16 February 2023 onwards



Court Hearing of the petition for  
the sanction of the Scheme . . . . . Friday, 17 February 2023  
(Bermuda time)

Announcement of  
(1) the results of the Court Hearing;  
(2) the expected Effective Date; and  
(3) the expected date of the withdrawal of the  
listing of the Ordinary Shares on the Stock Exchange,  
published on the websites of  
the Stock Exchange and the Company . . . . . Monday, 20 February 2023

Scheme Record Date . . . . . Wednesday, 22 February 2023

Effective Date <sup>(Note 2)</sup> . . . . . Wednesday, 22 February 2023 (Bermuda time)

Announcement of  
(1) the Effective Date; and  
(2) the withdrawal of listing of Ordinary Shares  
on the Stock Exchange,  
published on the websites of the Stock Exchange  
and the Company . . . . . Thursday, 23 February 2023

Withdrawal of listing of the Ordinary Shares  
on the Stock Exchange  
becomes effective <sup>(Note 2)</sup> . . . . . 9:00 a.m. on  
Monday, 27 February 2023

Latest date to despatch cheques for  
payment of the Cancellation Price  
to the Scheme Shareholders <sup>(Note 3)</sup> . . . . . on or before  
Friday, 3 March 2023

*Notes:*

- (1) The Register will be closed during such period for the purpose of determining the Scheme Shareholders, who are qualified for entitlements under the Scheme.
- (2) The Scheme will become effective upon all the Conditions set out in the paragraph headed “Conditions of the Proposal and the Scheme” under the section headed “Terms of the Proposal” in the Explanatory Statement in Part VI of the Scheme Document having been fulfilled or waived (as applicable). The withdrawal of listing of Ordinary Shares will take place as soon as practicable after the Effective Date. Shareholders will be advised by an announcement of the exact date upon which the Scheme becomes effective and the exact date of withdrawal of the listing of the Ordinary Shares on the Stock Exchange. All of the Conditions will have to be fulfilled or waived (as applicable) on or before the Long Stop Date (i.e., 31 March 2023) (or such later date as the Offeror and the Company may agree or, to the extent applicable, as the Bermuda Court on the application of the Company may direct and, in all cases, as permitted by the Executive), failing which the Proposal and the Scheme will lapse.

- (3) Cheques for entitlements of Scheme Shareholders will be despatched by ordinary post in postage pre-paid envelopes addressed to Scheme Shareholders at their respective addresses as appearing in the Register as at the Scheme Record Date or, in the case of joint holders, at the address appearing in Register as at the Scheme Record Date of the joint holder whose name then stands first in the Register in respect of the relevant joint holding as soon as possible but in any event within seven (7) Business Days following the Effective Date. Cheques shall be posted at the risk of the addressees and none of the Offeror, the Company, Nuada, Kingston Corporate Finance, Altus Capital, the Registrar or any of their respective directors, officers, employees, agents, affiliates, or advisers or any other persons involved in the Proposal shall be responsible for any loss or delay in transmission.

## GENERAL

Immediately before 24 October 2022 (being the commencement date of the Offer Period) and as at the date of this joint announcement, the Offeror held 10,157,205,895 Ordinary Shares and 3,750,000,000 Convertible Preference Shares, representing approximately 74.606% and 100% of the total number of the issued Ordinary Shares and Convertible Preference Shares, respectively; and the Offeror Concert Parties held 44,958,078 Ordinary Shares in aggregate, representing approximately 0.330% of the total number of the issued Ordinary Shares. Save for the above, none of the Offeror or Offeror Concert Parties (i) held, controlled or directed any Shares or rights over the Shares immediately prior to the commencement of the Offer Period; or (ii) had acquired or agreed to acquire any Shares or rights over the Shares during the Offer Period and up to the date of this joint announcement. Further, neither the Offeror nor any Offeror Concert Parties has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company during the Offer Period and up to the date of this joint announcement.

## WARNING

**Shareholders and potential investors of the Company should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. Shareholders and potential investors of the Company should therefore exercise caution when dealing in securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

By order of the board of  
**Active Dynamic Limited**  
**Chu Yuet Wah**  
*Sole Director*

By order of the board of  
**Kingston Financial Group Limited**  
**Chu, Nicholas Yuk-yui**  
*Chairman*

Hong Kong, 9 February 2023

*As at the date of this joint announcement, the sole director of the Offeror is Mrs. Chu Yuet Wah.*

*The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirms, having made all reasonable enquiries, that to the best of her knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors in their capacity as the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the executive directors of the Company are Mr. Chu, Nicholas Yuk-yui (Chairman), Mrs. Chu Yuet Wah (Chief Executive Officer), Mr. Chu, Kingston Chun Ho and Mr. Ho Chi Ho and the independent non-executive directors of the Company are Mr. Lau Man Tak, Ms. Lo, Miu Sheung Betty and Mr. Chiu Sin Nang, Kenny.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror and Offeror Concert Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the sole director of the Offeror in her capacity as the director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*