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BETA DYNAMIC LIMITED

(Incorporated in the British Virgin Islands with limited liability)

ANNOUNCEMENT

**(1) LEVEL OF ACCEPTANCE ON THE FIRST CLOSING DATE;
AND (2) EXTENSION OF OFFER PERIOD AND
EXTENDED TIMETABLE IN RELATION TO
VOLUNTARY CONDITIONAL CASH OFFERS BY
KINGSWAY FINANCIAL SERVICES GROUP LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL THE ISSUED SHARES
(OTHER THAN THOSE ALREADY OWNED
OR AGREED TO BE ACQUIRED BY THE OFFEROR)
AND
TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS OF
EASY REPAY FINANCE & INVESTMENT LIMITED
(STOCK CODE: 8079)**

Financial Adviser to the Offeror

SUNWAH KINGSWAY

新華滙富

Kingsway Capital Limited

Reference is made to (i) the announcement dated 13 March 2020 issued by Beta Dynamic Limited (the “**Offeror**”); (ii) the offer document (the “**Offer Document**”) issued by the Offeror dated 3 April 2020; and (iii) the response document (the “**Response Document**”) issued by Easy Repay Finance & Investment Limited dated 17 April 2020. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Offer Document.

LEVEL OF ACCEPTANCE ON THE FIRST CLOSING DATE

As at 4:00 p.m. on Monday, 18 May 2020, being the First Closing Date of the Offers, the Offeror had received (a) 13 valid acceptances in respect of a total of 1,968,412 Offer Shares (the “**Acceptance Shares**”), representing approximately 0.82% of the total number of Shares in issue as at the date of this announcement; and (b) no acceptance of any Option Offer. The Acceptance Shares together with the Shares already owned by the Offeror Concert Group, as at the date of this announcement, amounted to an aggregate of 28,061,912 Shares, representing approximately 11.67% of the total issued share capital and voting rights of the Company.

Save for the 28,061,912 Shares (representing approximately 11.67% of the total number of Shares in issue of the Company as at the date of this announcement) held by the Offeror Concert Group and the Acceptance Shares, no member of the Offeror Concert Group (i) held, controlled or directed any Shares and rights over Shares immediately before the commencement date of the Offer Period; (ii) has acquired or agreed to acquire any Shares or rights over Shares during the Offer Period up to and including the date of this announcement; or (iii) has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period and as at the date of this announcement.

As set out in the Offer Document, the Share Offer is conditional upon valid acceptances of the Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) in respect of such number of Offer Shares which, together with Shares already owned or agreed to be acquired before or during the Offer Period, would result in the Offeror Concert Group holding more than 50% of the voting rights in the Company as at the Closing Date (the “**Acceptance Condition**”). The Option Offer is conditional upon the Share Offer becoming or being declared unconditional in all respects.

As at the date of this announcement, the Acceptance Condition has not yet been fulfilled and the Offers have not yet become unconditional. The Offeror intends to declare the Offers unconditional (both as to acceptance and in all respects) upon the fulfilment of the Acceptance Condition, absent any material adverse developments of the Company that pertain to the fulfilment of the Conditions (other than those that are not capable of waiver).

EXTENSION OF THE OFFER PERIOD AND THE REVISED EXPECTED TIMETABLE

In order to provide additional time for the Shareholders and Optionholders to consider the Offers, the Offeror has decided to extend the closing time and date of the Offers from 4:00 p.m. on 18 May 2020 to 4:00 p.m. on 2 June 2020 (the “**Extended Closing Date**”).

Other than the extension above, all other terms of the Offers as set out in the Offer Document and the Forms of Acceptance remain unchanged.

Further announcement on the results of the Offers will be made on 2 June 2020 (being the Extended Closing Date) in accordance with Rule 19.1 of the Takeovers Code or on the date the Offers becoming or being declared unconditional (whether as to acceptance or in all respects), whichever is earlier. In accordance with the Takeovers Code, except with the consent of the Executive, the Offers may not become or be declared unconditional as to acceptances after 7:00 p.m. on the 60th day after the date of despatch of the Offer Document (or such later day as permitted by the Executive in accordance with the Takeovers Code). Accordingly, unless the Offers have previously become or been declared unconditional as to acceptance or have been extended by the Offeror with the consent of the Executive, the Offers will lapse at 7:00 p.m. on 2 June 2020.

The revised expected timetable set out below is indicative and may be subject to change. Further announcement(s) will be made by the Offeror in the event of any changes to the timetable as and when appropriate in accordance with the GEM Listing Rules and the Takeovers Code.

Event	Time and date
Commencement date of the Offers (<i>Note 1</i>)	3 April 2020
First Closing Date (<i>Note 1</i>).	by 4:00 p.m. on 18 May 2020
Latest time and date for acceptance of the Offers on the Extended Closing Date (<i>Note 2</i>)	by 4:00 p.m. on 2 June 2020

Event**Time and date**

Announcement of the results of the Offers
as at the Extended Closing Date on the website of
the Stock Exchange (*Note 2*) by 7:00 p.m. on 2 June 2020

Latest time and date by which the Offers
can become or declared unconditional
as to acceptance (*Note 3*) by 7:00 p.m. on 2 June 2020

Latest time and date for acceptance of the Offers
assuming the Offers become or are declared
unconditional in all respects on
the Extended Closing Date (*Notes 5 and 6*) by 4:00 p.m. on 16 June 2020

Announcement of the results of the Offers
as at the final Closing Date on the website of
the Stock Exchange assuming the Offers become
or are declared unconditional in all respects
on the Extended Closing Date by 7:00 p.m. on 16 June 2020

Latest date of posting of remittances in respect of
valid acceptances received under the Offers
on or before 4:00 p.m. on the final Closing Date
assuming the Offers become or are declared
unconditional in all respects on
the Extended Closing Date (*Notes 4*) 26 June 2020

Notes:

1. In accordance with the Takeovers Code, where the Response Document is posted after the date on which the Offer Document is posted, the Offers must remain open for acceptance for at least 28 days following the date on which the Offer Document was posted (i.e. 3 April 2020). The Offeror has the right under the Takeovers Code to extend the Offers until such date as it may determine in accordance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code).

2. The Offeror has decided to extend the First Closing Date from 4:00 p.m. on 18 May 2020 to 4:00 p.m. on 2 June 2020, being the Extended Closing Date. The Offeror will issue an announcement on the website of the Stock Exchange by no later than 7:00 p.m. on 2 June 2020 stating whether the Offers have been extended, revised or have lapsed.
3. In accordance with the Takeovers Code, except with the consent of the Executive, the Offers may not become or be declared unconditional as to acceptances after 7:00 p.m. on the 60th day after the date of despatch of the Offer Document (or such later day as permitted by the Executive in accordance with the Takeovers Code). Accordingly, unless the Offers have previously become or been declared unconditional as to acceptance or have been extended by the Offeror with the consent of the Executive, the Offers will lapse at 7:00 p.m. on 2 June 2020.
4. Subject to the Offers becoming or being declared unconditional in all respects, remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty in respect of acceptances of the Share Offer) payable in respect of acceptances of the Offers will be posted to the accepting Shareholders and/or Optionholders by ordinary post at their own risk as soon as possible, but in any event within seven (7) Business Days following the later of (i) the date on which the Offers become or are declared unconditional in all respects and (ii) the date on which duly completed Form(s) of Acceptance and the relevant documents of title of Shares or the Share Options (as the case may be) are received by the Receiving Agent to render each such acceptance complete and valid.
5. In accordance with the Takeovers Code, if the Offers become or are declared unconditional (whether as to acceptances or in all respects), the Offers should remain open for acceptance for not less than 14 days thereafter. When the Offers become or are declared unconditional in all respects, at least 14 days' notice in writing must be given before the Offers are closed to those Shareholders and Optionholders who have not accepted the Offers. The Offeror has the right, subject to the Takeovers Code, to extend the Offers until such date as it may determine or as permitted by the Executive.
6. Beneficial owners of the Offer Shares who hold their Offer Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (as set out in Appendix I to the Offer Document) for placing instructions with CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures. Acceptance of the Offers shall be irrevocable and is not capable of being withdrawn, except in the circumstances as set out in the paragraph headed "4. RIGHT OF WITHDRAWAL" in Appendix I to the Offer Document.

All time and date references contained in this announcement refer to Hong Kong times and dates.

Save as disclosed in the paragraph headed “Extension of the Offer Period and the Revised Expected Timetable” above in this announcement, all other terms of the Offers and the procedures for acceptance of the Offers as set out in Appendix I to the Offer Document and the accompanying Forms of Acceptance remain unchanged.

WARNING

The Shareholders, Optionholders and/or potential investors of the Company should note that the Share Offer is subject to the satisfaction or waiver (where applicable) of the Conditions, and the Option Offer is subject to, and conditional upon, the Share Offer becoming or being declared unconditional in all respects. Accordingly, the Offers may or may not become unconditional at all. Shareholders, Optionholders and/or potential investors of the Company should therefore exercise caution when dealing in the securities of the Company (including the Shares, Share Options or rights in respect of either of them). Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

By Order of the Board
Beta Dynamic Limited
Cheung Siu Fai
Sole Director

Hong Kong, 18 May 2020

As at the date of this announcement, the sole director of Beta Dynamic Limited is Mr. Cheung. The sole director of Beta Dynamic Limited accepts full responsibility for the accuracy of information contained in this announcement and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement have been arrived at upon due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.