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(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8112)

**(1) POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING
HELD ON 3 JUNE 2020
(2) SHARE CONSOLIDATION
(3) ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS
(4) UPDATE ON THE CAPITAL REDUCTION AND
THE SHARE SUB-DIVISION**

Reference is made to the circular of Cornerstone Financial Holdings Limited (the “**Company**”) dated 7 May 2020 (the “**Circular**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as defined in the Circular.

POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING

The Board is pleased to announce that all proposed resolutions were duly passed by the Shareholders by way of poll at the EGM held on 3 June 2020. The poll results are as follows:

Ordinary Resolution		Number of votes (Approximate percentage)	
		For	Against
1.	To approve the proposed Share Consolidation as set out in the Notice ^(Note) .	431,562,808 (99.08%)	4,008,000 (0.92%)
Special Resolution			
2.	To approve the proposed Capital Reduction and Share Sub-division as set out in the Notice ^(Note) .	431,562,808 (99.08%)	4,008,000 (0.92%)

Note: Please refer to the Notice contained in the Circular for the full text of the resolution.

As a simple majority of the votes were cast in favour of the above ordinary resolution and a majority of not less than three-fourths of the votes were cast in favour of the above special resolution, all the resolutions were duly passed.

As at the date of the EGM, there were a total of 1,147,092,240 Shares in issue, which was the total number of Shares entitling the Shareholders to attend and vote for or against the resolutions at the EGM. There were no restrictions on any Shareholders to cast votes on the resolutions at the EGM.

Tricor Investor Services Limited, the branch share registrar of the Company in Hong Kong, was appointed as the scrutineer for the vote-taking at the EGM.

SHARE CONSOLIDATION

The Board is also pleased to announce that the Share Consolidation will become effective on Friday, 5 June 2020. Please refer to the Circular for details, including the trading arrangement of the Consolidated Shares and the exchange and replacement of share certificates in respect of the Share Consolidation. The Shareholders should note that upon the Share Consolidation becoming effective, the colour of the share certificates of the Company will be changed from light pink to light green.

ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS

Upon the Share Consolidation becoming effective, pursuant to the terms and conditions of the pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) and the share option scheme (the “**Share Option Scheme**”, and together with the Pre-IPO Share Option Scheme, collectively as the “**Share Option Schemes**”) adopted by the Company on 26 March 2011, the exercise prices and the numbers of the outstanding share options granted under the Share Option Schemes will be adjusted in the following manner (the “**Adjustments**”):

Type of outstanding share options	Date of grant	Exercisable period	Before the Adjustments		After the Adjustments	
			Exercise price per Existing Share <i>HK\$</i>	Number of Existing Shares to be allotted and issued upon exercise of the outstanding share options	Exercise price per Consolidated Share <i>HK\$</i>	Number of Consolidated Shares to be allotted and issued upon exercise of the outstanding share options
Options granted under the Pre-IPO Share Option Scheme	30/6/2011	28/7/2011 to 27/7/2021	2.758	513,769	55.16	25,688
Options granted under the Share Option Scheme	20/12/2011	20/12/2011 to 19/12/2021	2.777	376,968	55.54	18,848

Nuada Limited has been appointed as the independent financial adviser to certify the Adjustments, which will take effect from Friday, 5 June 2020. It has reviewed the basis of the Adjustments and certified in writing that the Adjustments are in accordance with the terms and conditions of the Share Option Schemes and the relevant provisions of the GEM Listing Rules. Separate notification regarding the Adjustments will be sent to the holders of the outstanding share options under the Share Option Schemes.

UPDATE ON THE CAPITAL REDUCTION AND THE SHARE SUB-DIVISION

Subsequent to the passing of the resolutions, the Capital Reduction and the Share Sub-division are still subject to certain conditions as set out in the paragraph headed “Letter from the Board – Proposed Capital Reduction and Share Sub-division – Conditions of the Capital Reduction and the Share Sub-division” in the Circular. Further announcement(s) will be made by the Company to inform the Shareholders of the effective date of the Capital Reduction and the Share Sub-division as and when appropriate.

By Order of the Board
Cornerstone Financial Holdings Limited
An Xilei
Chairman

Hong Kong, 3 June 2020

As at the date of this announcement, the Board comprises Mr. An Xilei (Chairman), Mr. Wong Hong Gay Patrick Jonathan, Mr. Mock Wai Yin and Mr. Wang Jun as executive Directors; and Mr. Chan Chi Keung Alan, Mr. Lee Chi Hwa Joshua and Ms. Lau Mei Ying 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 Company Announcements” page of the GEM website at www.hkgem.com 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.