

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Power Financial Group Limited
權威金融集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 397)

**DISCLOSEABLE TRANSACTION –
REDEMPTION OF FUND**

The Board wishes to announce that on 28 February 2019, Plenty Cash (a wholly-owned subsidiary of the Company) exercised its right of redemption and submitted a written request for Redemption to the Fund Administrator.

The Fund is an open-ended investment fund established as an exempted limited liability company under the laws of the Cayman Islands and is a standalone investment vehicle. The investment objective of the Fund is to invest in low-risk investment grade bonds (above BB- S&P credit rating) worldwide.

According to terms of the Fund, the completion of the Redemption will take place on 1 April 2019 (or such other day as the directors of the Fund may determine) (i.e. the “**Redemption Day**”) and the price for the Redemption will be determined with reference to the net asset value per each participating share of the Fund on the business day immediately preceding the Redemption Day. The unaudited carrying value of the Class A Fund Shares recorded in the books of the Group as at 30 September 2018 was approximately HK\$35,288,000.

After completion of the Redemption, the Group will cease to have any interest in the Fund.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Redemption exceeds 5% and is lower than 25%, the Redemption constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

The Board wishes to announce that on 28 February 2019, Plenty Cash (a wholly-owned subsidiary of the Company) exercised its right of redemption and submitted a written request for Redemption to the Fund Administrator.

Further details of the Redemption and the Fund are set out below.

THE REDEMPTION

Date of the written request for Redemption : 28 February 2019

Parties : (1) Plenty Cash, a wholly-owned subsidiary of the Company
(2) the delegate of the Fund Administrator, a company having its principal place of business in Hong Kong
(3) the Fund

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Fund Administrator is a professional company providing fund administration services and each of the Fund Administrator and its ultimate beneficial owners is an Independent Third Party.

Assets to be disposed of

In substance, the assets being disposed of under the Redemption are the Class A Fund Shares held by Plenty Cash.

Price for Redemption and its basis

According to terms of the Fund, the completion of the Redemption will take place on 1 April 2019 (or such other day as the directors of the Fund may determine) (i.e. the "**Redemption Day**") and the price for the Redemption will be determined with reference to the net asset value per each participating share of the Fund on the business day immediately preceding the Redemption Day.

Based on the information provided by the Fund Administrator, the latest available net market value of the Class A Fund Shares held by Plenty Cash as at 30 September 2018 was approximately US\$4,524,000 (equivalent to approximately HK\$35,288,000), which is the same as the unaudited carrying value of the Class A Fund Shares recorded in the books of the Group as at 30 September 2018.

Shareholders and potential investors of the Company should note that the final price for the Redemption may be higher or lower than the carrying value of the Class A Fund Shares recorded in the books of the Group as stated above.

Completion

According to terms of the Fund, the completion of the Redemption will take place on 1 April 2019 (or such other day as the directors of the Fund may determine).

After completion of the Redemption, the Group will cease to have any interest in the Fund.

The Group classified its investment in the Fund as financial assets at fair value through other comprehensive income prior to the Redemption.

INFORMATION ABOUT THE FUND

The Fund is an open-ended investment fund established as an exempted limited liability company under the laws of the Cayman Islands and is a standalone investment vehicle. The investment objective of the Fund is to invest in low-risk investment grade bonds (above BB-S&P credit rating) worldwide. The Fund is managed by an Independent Third Party.

Up to the date of the request for Redemption, no dividend in respect of the Class A Fund Shares has been received by Plenty Cash since its subscription of such Class A Shares.

Based on the information provided by the Fund Administrator, the latest available net market value of the Class A Fund Shares held by Plenty Cash as at 30 September 2018 was approximately US\$4,524,000 (equivalent to approximately HK\$35,288,000), which is the same as the unaudited carrying value of the Class A Fund Shares recorded in the books of the Group as at 30 September 2018.

INFORMATION ABOUT THE GROUP

The Group principally engages in financial services business, money lending business and assets investment.

REASONS FOR AND BENEFITS OF THE REDEMPTION

While the price for the Redemption has not yet been fixed as at the date of this announcement, the Directors do not expect that the Group will recognise any material gain or loss in connection with the Redemption. Shareholders and potential investors should note that the actual amount of gain or loss on the Redemption to be recorded by the Company will be subject to audit. The Board intends to use the net proceeds from the Redemption for general working capital purpose and to fund the upcoming investments of the Group in the future.

The Group first invested in the Fund in 2017. Taking into account the recent demand or enquiry for the Group's money lending businesses, and the cash inflow that will be brought by the Redemption, the Directors consider that the Redemption represents a good opportunity for the Group to realise such investment so that it can re-allocate its resources to its other existing businesses.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Redemption are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Redemption exceeds 5% and is lower than 25%, the Redemption constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Class A Fund Shares”	the 4,653.28 participating shares of the Fund, designated as Class A Shares, currently held by Plenty Cash in the Fund
“Company”	Power Financial Group Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Fund”	an open-ended investment fund established as an exempted limited liability company under the laws of the Cayman Islands
“Fund Administrator”	the administrator of the Fund, which is an Independent Third Party, or its delegate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules) of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Plenty Cash”	Plenty Cash Investment Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Redemption”	the exercise of the right of redemption of the Class A Fund Shares by Plenty Cash
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	the United States of America dollars, the lawful currency of the United States of America

Unless otherwise defined herein, for the purpose of this announcement and for the purpose of illustration only, US\$ amounts have been translated using the following rates: US\$1.00: HK\$7.80. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.

On behalf of the Board
Power Financial Group Limited
Choi Chun Chung, Danny
Chairman and Chief Executive Officer

Hong Kong, 28 February 2019

As at the date of this announcement, the executive Directors are Mr. Choi Chun Chung, Danny and Mr. Sit Sai Hung, Billy; and the independent non-executive Directors are Mr. Wong Kun To, Mr. Chu Hau Lim and Ms. Lim Xue Ling, Charlene.