

*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 –  
DISPOSAL OF FUND**

The Board is pleased to announce that on 6 March 2019, Plenty Cash (a wholly-owned subsidiary of the Company) accepted the offer from the Purchaser, an Independent Third Party, to purchase 4,075.809 Fund Shares held by Plenty Cash at the Disposal Price.

The Fund is a non-listed exempted company incorporated in the Cayman Islands with limited liability which principally engages in investment. Based on the information provided by the Fund Manager, the Fund has been established to explore investment opportunities in Asia, which investments are engaged in or derive a significant proportion of their income from the field of social media.

Subject to the fulfilment of the conditions precedent set out below, completion of the Disposal is scheduled to take place on 31 December 2021. After completion of the Disposal, 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 Disposal exceeds 5% and is lower than 25%, the Disposal 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 is pleased to announce that on 6 March 2019, Plenty Cash (a wholly-owned subsidiary of the Company) accepted the offer from the Purchaser to purchase 4,075.809 Fund Shares held by Plenty Cash at the Disposal Price.

Major terms of the Disposal are set out below.

## **THE DISPOSAL**

Date of the transaction : 6 March 2019

Parties : (1) Plenty Cash, a wholly-owned subsidiary of the Company  
(2) the Purchaser, a company incorporated in Hong Kong with limited liability and is one of the holders of the Fund Shares

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser is an investment holding company and each of the Purchaser and its ultimate beneficial owner(s) is an Independent Third Party.

### **Assets to be disposed of**

The assets being disposed of under the Disposal are 4,075.809 Fund Shares held by Plenty Cash.

### **Disposal Price and its basis**

The 4,075.809 Fund Shares held by Plenty Cash shall be sold to the Purchaser at the Disposal Price (i.e. HK\$36,592,083.00, in aggregate). The Disposal Price represents the latest available net asset value attributable to the Fund Shares held by Plenty Cash.

The Purchaser shall settle the Disposal Price in cash by 34 monthly instalments, whereby (i) HK\$3,049,340.25 shall be paid on or before 29 March 2019 and (ii) HK\$1,016,446.75 on or before the last business day of each consecutive month from April 2019 to December 2021.

### **Conditions precedent**

As represented by the Purchaser, it has made an offer to purchase the Fund Shares with the same conditions to six holders of the Fund Shares, including Plenty Cash. Completion of the Disposal is conditional upon (i) all the said six holders of the Fund Shares accepting the Purchaser's offer on or before 15 March 2019 and (ii) the Purchaser having paid the Disposal Price in full in accordance with the schedule described above.

## **Completion**

Subject to the fulfilment of the conditions precedent set out above, completion of the Disposal is scheduled to take place on 31 December 2021.

After completion of the Disposal, 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 Disposal.

## **INFORMATION ABOUT THE FUND**

The Fund is a non-listed exempted company incorporated in the Cayman Islands with limited liability which principally engages in investment. Based on the information provided by the Fund Manager, the Fund has been established to explore investment opportunities in Asia, which investments are engaged in or derive a significant proportion of their income from the field of social media. The Fund Manager is an Independent Third Party.

Up to the date of this announcement, no dividend in respect of the 4,075.809 Fund Shares held by Plenty Cash has been received by Plenty Cash since its subscription of such Fund Shares.

Based on the information provided by the Fund Manager, the latest available net asset value of the 4,075.809 Fund Shares held by Plenty Cash as at 31 December 2017 was HK\$36,592,083.35.

## **INFORMATION ABOUT THE GROUP**

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

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

The carrying value of the 4,075.809 Fund Shares held by the Group recorded in the books of the Group was HK\$36,848,540.82 as at 30 June 2018 which amount, as a result of the receipt of the offer to purchase the Fund Shares from the Purchaser, has been adjusted to an amount equal to the Disposal Price and any deficit arising therefrom has been recorded in the Group's reserve for accounting purpose. On such basis, the Group is not expected to record any material gain or loss in connection with the Disposal. Shareholders and potential investors of the Company should note that the actual amount of gain or loss on the Disposal to be recorded by the Company will be subject to audit.

The Board intends to use the proceeds from the Disposal for general working capital and to fund the upcoming investments of the Group, if any, in the future.

The Group first invested in the Fund in April 2015 and its related total investment cost amounted to approximately HK\$40.2 million. Taking into account the fact that the investment in the Fund has not generated any dividend income for the Group and the constant cash inflow that will be brought by the Disposal, the Directors consider that the Disposal represents a good opportunity for the Group to accept the offer to effect the Disposal.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Disposal 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 Disposal exceeds 5% and is lower than 25%, the Disposal 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
“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
“Disposal”	the disposal of 4,075.809 Fund Shares by Plenty Cash
“Disposal Price”	HK\$36,592,083.00, being the aggregate price offered by the Purchaser to purchase the 4,075.809 Fund Shares held by Plenty Cash
“Fund”	an exempted company incorporated in the Cayman Islands with limited liability
“Fund Manager”	the manager of the Fund and an Independent Third Party
“Fund Share”	each non-voting participating redeemable share, designated as Class A share, of the Fund of US\$0.01 par value
“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
“Purchaser”	a company incorporated in Hong Kong with limited liability, being one of the holders of the Fund Shares and an Independent Third Party
“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

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

Hong Kong, 6 March 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.*