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新融宇集團(控股)有限公司
Infinity Financial Group (Holdings) Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1152)

DISCLOSEABLE TRANSACTION DISPOSAL OF A SUBSIDIARY

THE DISPOSAL

The Board wishes to announce that on 16 March 2017 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Disposal Agreement with the Purchaser, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase the Equity Interest, representing 100% of the equity interest in Dongguan Feng Zheng, at the Consideration of approximately RMB43.0 million (equivalent to approximately HK\$48.4 million).

Immediately after Completion, Dongguan Feng Zheng will cease to be a subsidiary of the Company. Accordingly, the financial results of Dongguan Feng Zheng will no longer be consolidated into the Company's financial statements upon Completion.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Chapter 14 of the Listing Rules for the Disposal exceed 5% but are below 25%, the Disposal constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements but exempted from the circular, Shareholders' approval and accountant's report requirements under the Listing Rules.

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THE DISPOSAL AGREEMENT

Date

16 March 2017

Parties

- (1) Fornton Holdings Company Limited, as the Vendor;
- (2) Dongguan DRN Battery Co., Ltd*, as the Purchaser; and
- (3) Dongguan Feng Zheng Knitting Co., Ltd*, as the target company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

Assets to be disposed

The Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Equity Interest free from all Encumbrances.

Consideration

The Consideration of approximately RMB43.0 million (equivalent to approximately HK\$48.4 million) shall be satisfied in the following manner:

- (1) the Deposit of RMB500,000 (equivalent to approximately HK\$563,000), being part of the consideration shall be payable by the Purchaser to the Vendor upon entering into of the Disposal Agreement; and
- (2) the remaining balance of the Consideration (being RMB42.5 million) shall be payable to the Vendor within ten Business Days upon obtaining the approvals from the relevant industrial and commercial administration authorities in the PRC approving the transfer of the Equity Interest contemplated under the Disposal Agreement.

The basis of the Consideration

The Consideration was determined after arm's length negotiations between the Parties on normal commercial terms with reference to the unaudited consolidated net asset value of Dongguan Feng Zheng (after excluding the debts due to Dongguan Feng Zheng by the Group) as at 15 March 2017.

Completion

Completion will take place on the date the Vendor and the Purchaser entered into the Disposal Agreement.

Immediately after Completion, Dongguan Feng Zheng will cease to be a subsidiary of the Company. Accordingly, the financial results of Dongguan Feng Zheng will no longer be consolidated into the Company's financial statements upon Completion.

INFORMATION OF THE GROUP, DONGGUAN FENG ZHENG AND THE PURCHASER

The Group is principally engaged in the finance leasing business and the trading of metal and equipment. Dongguan Feng Zheng is a limited liability company established under the laws of the PRC and has no business operations as at the date of this announcement.

The Purchaser is a limited liability company established under the laws of the PRC and is listed on the New OTC Market in the PRC (stock code: 832689). It was founded in 2008 and is engaged in manufacturing, developing and selling lithium ion rechargeable batteries to various countries and regions used mainly in the fields of mobile communication terminal and digital products.

Set out below is a summary of the key financial data of Dongguan Feng Zheng extracted from its unaudited financial statements for the year ended 31 December 2016:

	For the year ended 31 December 2016 <i>(unaudited)</i> <i>RMB</i>	For the year ended 31 December 2015 <i>(audited)</i> <i>RMB</i>
Revenue	—	—
Profit before tax	635,000	1,214,000
Profit after tax	625,000	1,214,000
Total assets (after excluding the debts due to Dongguan Feng Zheng by the Group)	43,511,000	42,516,000

REASONS FOR AND BENEFITS OF THE DISPOSAL

As at the date of this announcement, Dongguan Feng Zheng has no business operations, but has approximately RMB43.6 million (equivalent to approximately HK\$49.2 million) of bank balances and cash. The Board is of the view that it would be a better allocation of resources for the Group to realize the Group's investment in Dongguan Feng Zheng through the Disposal.

The Directors (including the independent non-executive Directors) consider that the Disposal is conducted on normal commercial terms and is in the ordinary and usual course of business, and is fair and reasonable so far as the Company and the Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Chapter 14 of the Listing Rules for the Disposal exceed 5% but are below 25%, the Disposal constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements but exempted from the circular, Shareholders' approval and accountant's report requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of Directors
“Business Day(s)”	a day (other than Saturday and Sunday) on which banks are open for business in the PRC and Hong Kong
“Company”	Infinity Financial Group (Holdings) Limited (新融宇集團(控股)有限公司), a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Stock Exchange
“Completion”	completion of the Disposal contemplated under the Disposal Agreement in accordance with its terms and conditions
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration payable by the Purchaser to the Vendor for the Equity Interest in accordance with the terms and conditions of the Disposal Agreement
“Deposit”	the deposit of RMB500,000 (equivalent to HK\$563,000), being part of the Consideration, payable by the Purchaser to the Vendor

“Director(s)”	the director(s) of the Company
“Disposal Agreement”	the agreement dated 16 March 2017 entered into between the Vendor and the Purchaser in relation to the Disposal
“Disposal”	the transfer of 100% equity interest in Dongguan Feng Zheng from the Vendor to the Purchaser
“Dongguan Feng Zheng”	Dongguan Feng Zheng Knitting Co., Ltd* (東莞豐正針織有限公司), a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company immediately prior to Completion
“Encumbrance”	any encumbrances, charges and other third party rights
“Equity Interest”	100% of the equity interest in Dongguan Feng Zheng
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Party(ies)”	the party(ies) to the Disposal Agreement
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Dongguan DRN Battery Co., Ltd* (東莞市德爾能新能源股份有限公司), a limited liability company established under the laws of the PRC and is listed on the New OTC Market in the PRC (stock code: 832689)
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.005 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

“Vendor” Fornton Holdings Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

“%” per cent

The exchange rate adopted in this announcement for illustration purposes only is RMB1.00 = HK\$1.1266.

* *English translation for identification purpose only*

By Order of the Board
Infinity Financial Group (Holdings) Limited
Yu Xueming
Chairman

Hong Kong, 16 March 2017

As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Yu Xueming (Chairman), Mr. Yu Chuanfu (Chief Executive Officer), Mr. Sit Yau Chiu, Mr. Zheng Qiang and Mr. Ng Hoi, one non-executive Director, namely, Mr. Chan Yee, Herman and five independent non-executive Directors, namely, Mr. Wang Wei Hung Andrew, Mr. Sin Ka Man, Mr. Zhao Lixin, Mr. Ho Man and Mr. Yeh Tung Ming.