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MOMENTUM FINANCIAL
HOLDINGS LIMITED
正乾金融控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1152)

**DISCLOSEABLE TRANSACTION IN RELATION TO
ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF
TAILI ASIA DEVELOPMENT CO., LIMITED**

THE ACQUISITION

The Board is pleased to announce that on 23 July 2018 (after trading hours), the Vendor and the Purchaser, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase the Sale Shares, representing the entire issued share capital of the Target Company upon Completion. Upon Completion, the Group will acquire the entire equity interests in the Target Company.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Acquisition exceed 5% but are below 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

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THE SALE AND PURCHASE AGREEMENT

Date: 23 July 2018 (after trading hours)

Vendor: Mr. Allan Grant Wilson

Purchaser: Sino Top Capital Resources Limited, a wholly-owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor is an Independent Third Party.

Subject matter

Pursuant to the Sale and Purchase Agreement, the Vendor shall as the legal and beneficial owner sell and the Purchaser shall purchase the Sale Shares free from all Encumbrances with effect from Completion together with all rights now and hereafter attaching thereto including but not limited to all dividends to be paid, declared or made in respect thereof at any time on or after the Completion Date.

Consideration

The registered capital of Kunpeng is USD10,000,000 (equivalent to approximately HK\$78,000,000). As at the date of this announcement, Mr. Allan Grant Wilson has not paid-up the entire registered capital in respect of his shareholding in Kunpeng (the “**Unpaid Capital**”).

In light of the above, the consideration for the Sale Shares shall be approximately HK\$78,210,000, which consists of (i) HK\$210,000 cash; and (ii) the Unpaid Capital (the “**Consideration**”). The Consideration shall be payable by the Purchaser to the Vendor in the following manner:

- (a) HK\$100,000 shall be satisfied in cash by the Purchaser to the Vendor upon the signing of the Sale and Purchase Agreement;
- (b) HK\$110,000 shall be satisfied in cash by the Purchaser to the Vendor within two Business Days upon provision of written evidence by the Vendor to the Purchaser in respect of the required change of director(s) and/or legal representative(s), as applicable, of the Target Group; and
- (c) as to USD10,000,000 (equivalent to approximately HK\$78,000,000) in respect of the Purchaser's obligation to pay-up the Unpaid Capital.

Basis of Consideration

The Consideration was arrived at after arm's length negotiations between the Vendor and the Purchaser with reference to, among other things, the business development and future prospects of the Target Group. The Consideration for the Acquisition will be financed by internal resources of the Group and/or external financing.

The Directors consider that the Consideration are on normal commercial terms and fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Completion

Completion shall take place upon the provision of the title documents in respect of the Sale Shares and the written evidence in respect of the required change of directors and/or legal representatives, as applicable, of the Target Group by the Vendor to the Purchaser.

Upon Completion, the Group will acquire the entire equity interests in the Target Company. The financial results of the Target Group will be consolidated into the financial statements of the Company.

INFORMATION ON THE TARGET GROUP

The Target Company is a company incorporated in Hong Kong with limited liability, which is principally engaged in investment holding. As at the date of the Sale and Purchase Agreement, Kunpeng is the wholly-owned subsidiary of the Target Company, which is principally engaged in finance leasing and commercial factoring.

Set out below is the summary of the key financial data of the Target Group based on the unaudited consolidated financial statements of the Target Group for the financial years ended 2016 and 2017 which were prepared in accordance with the generally accepted accounting principles in Hong Kong as provided by the Vendor:

	For the year ended 31 December 2017 <i>(unaudited)</i> <i>HK\$'</i>	For the year ended 31 December 2016 <i>(unaudited)</i> <i>HK\$'</i>
Revenue	0	0
Profit before taxation	0	0
Profit after taxation	0	0
Total assets	10,000	10,000

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in provision of finance leasing services and trading of metals and nutritional food products. Kunpeng is the wholly-owned subsidiary of the Target Company. Kunpeng is principally engaged in finance leasing and commercial factoring. The Group can use Kunpeng to further develop and enhance the Group's finance leasing business in order to capture the potential growth of finance leasing market in China.

Accordingly, the Directors are of the view that the terms of the Sale and Purchase Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Acquisition exceed 5% but are below 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the terms of the Sale and Purchase Agreement
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which the licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Momentum Financial Holdings Limited (正乾金融控股有限公司), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange (stock code: 1152)
“Completion”	completion of the Acquisition
“Completion Date”	date of Completion
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“Encumbrance”	any mortgage, charge, pledge, lien (otherwise than arising by statute or operation of law), hypothecation or other encumbrance, priority or security interest, deferred purchase, title retention, leasing, sale and purchase
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Kunpeng”	Asia Pacific Kunpeng Finance Leasing (Shenzhen) Co., Ltd.*(亞太鯤鵬融資租賃(深圳)有限公司), a company incorporated in PRC with limited liability and a wholly-owned subsidiary of the Target Company
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Sino Top Capital Resources Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 23 July 2018 and entered into between the Vendor and the Purchaser in relation to the Acquisition
“Sale Shares”	10,000 shares of HK\$1.00 each in the share capital of the Target Company, representing the entire issued share capital of the Target Company immediately prior to Completion
“Share(s)”	ordinary share(s) of HK\$0.005 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Taili Asia Development Co., Limited (泰利亞洲發展有限公司), a company incorporated in the Hong Kong with limited liability
“Target Group”	the Target Company and its subsidiaries
“Vendor”	Mr. Allan Grant Wilson

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“USD”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

By Order of the Board
Momentum Financial Holdings Limited
Chan Chung Shu
Chairman

Hong Kong, 23 July 2018

Unless otherwise stated, translation of USD into HK\$ is based on the approximate exchange rate of USD1.00 to HK\$7.8 for information purpose only. Such translation should not be construed as a representation that the relevant amounts have been, could have been, or could be converted at that or any other rate or at all.

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Chan Chung Shu (Chairman) and Mr. Ng Hoi, and three independent non-executive Directors, namely, Mr. Ho Man, Mr. Yeh Tung Ming and Mr. Zhang Hua.

** For identification purpose only*