

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

**If you have sold or transferred** all your securities in Huabang Financial Holdings Limited, you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank manager(s), licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser(s) or the transferee(s).

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.

---



**華邦金融控股有限公司**  
**Huabang Financial Holdings Limited**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 3638)**

**MAJOR TRANSACTION  
IN RELATION TO  
ACQUISITION OF PROPERTY**

---

15 March 2018

---

## CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	3
<b>APPENDIX I – FINANCIAL INFORMATION OF THE GROUP</b> .....	11
<b>APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP</b> .....	15
<b>APPENDIX III – PROPERTY VALUATION</b> .....	21
<b>APPENDIX IV – GENERAL INFORMATION</b> .....	26

---

## DEFINITIONS

---

*In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:*

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor pursuant to the Provisional Agreement and the Formal Agreement
“Announcement”	announcement of the Company dated 20 December 2017 in relation to the Acquisition
“associate”	has the meaning ascribed to under the Listing Rules
“Board”	the board of Directors
“close associate”	has the meaning ascribed to under the Listing Rules
“Company”	Huabang Financial Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange (stock code: 3638)
“Completion”	completion of the Acquisition
“Consideration”	HK\$219,765,000, being the purchase price of the Property
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Formal Agreement”	the formal sale and purchase agreement in relation to the Acquisition entered into between the Vendor and the Purchaser on 11 January 2018
“Group”	the Company and its subsidiaries from time to time
“HK\$” or “HKD”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	individual(s) or company(ies) who or which, as far as the Directors are aware after having made all reasonable enquiries, is (are) independent of the Company and its connected persons
“Latest Practicable Date”	9 March 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

---

## DEFINITIONS

---

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
“Provisional Agreement”	the provisional agreement for sale and purchase of the Property entered into between the Purchaser, the Vendor and the Property Agent on 20 December 2017
“Property”	(i) Units 1, 2, 3, 5, 6, 7 and 8, 33rd Floor, Enterprise Square Three, Kowloon Bay, Hong Kong and (ii) car parking spaces nos.11-14 on 3rd Floor, Enterprise Square Three, Kowloon Bay, Hong Kong
“Property Agent”	Centaline Property Agency Limited
“Purchaser”	Huabang Financial Investments Limited, an indirectly wholly-owned subsidiary of the Company
“SFC”	the Securities & Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Shareholder(s)”	the holder(s) of the Shares
“Shares”	ordinary shares in the capital of the Company with nominal value of HK\$0.0008333 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers
“Vendor”	Lian Industrial Co., Limited, a company incorporated in Hong Kong with limited liability
“%”	per cent.

---

## LETTER FROM THE BOARD

---



# 華邦金融控股有限公司

**Huabang Financial Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3638)**

*Executive Directors:*

Mr. George Lu (*Chairman and Chief Executive Officer*)

Mr. Lau Wan Po (*Vice Chairman*)

Mr. Pang Chung Fai Benny (*Vice Chairman*)

Ms. Lau Wing Sze

*Registered Office:*

P.O. Box 309

Ugland House

Grand Cayman, KY1-1104

Cayman Islands

*Independent Non-executive Directors:*

Mr. Loo Hong Shing Vincent

Mr. Shin Yick Fabian

Mr. Mu Binrui

Mr. Lam Allan Loc

*Principal place of business*

*in Hong Kong:*

29th Floor

Enterprise Square Two

3 Sheung Yuet Road

Kowloon Bay

Kowloon, Hong Kong

15 March 2018

*To the Shareholders*

Dear Sir or Madam,

### **MAJOR TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY**

#### **INTRODUCTION**

Reference is made to the Announcement and the announcements of the Company dated 9 January 2018 and 27 February 2018.

This circular is despatched to the Shareholders for information purposes only. As disclosed in the Announcement, to the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholder or any of their respective associates have any material interest in the Acquisition, thus no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Acquisition. Pursuant to Rule 14.44 of the Listing Rules, the Company has obtained shareholders' written approval from Forever Star Capital Limited, which was beneficially interested in 2,396,064,000 Shares, representing approximately 58.59% of the issued share capital of the Company, as at the Latest Practicable Date, for approving the Acquisition. Accordingly, no general meeting will be convened to approve the Acquisition.

---

## LETTER FROM THE BOARD

---

The purpose of this circular is to provide you with, among others, (i) further details of the Acquisition; (ii) the financial information of the Group; (iii) the unaudited pro forma financial information of the Group illustrating the effect of the Acquisition on the financial position of the Group as if the Acquisition had been completed on 30 September 2017; and (iv) other information required to be disclosed under the Listing Rules.

### THE PROVISIONAL AGREEMENT AND THE FORMAL AGREEMENT

#### The Provisional Agreement

##### *Date*

20 December 2017

##### *Parties*

- (1) Purchaser, being Huabang Financial Investments Limited, an indirectly wholly-owned subsidiary of the Company;
- (2) the Vendor; and
- (3) the Property Agent.

To the best of the knowledge, information and belief of the Directors, the Vendor, the Property Agent and their respective ultimate beneficial owner(s) are Independent Third Parties. To the best knowledge, information and belief of our Directors, the Vendor is a company incorporated in Hong Kong in 2000 with limited liabilities and it is a manufacturer of crystal rhinestones products.

#### The Formal Agreement

The Purchaser and the Vendor entered into the Formal Agreement on 11 January 2018, which has incorporated the terms and conditions contained in the Provisional Agreement. The material terms of the Formal Sale and Purchase Agreement are set out in this circular below.

##### *Property to be acquired*

The Property to be acquired by the Purchaser from the Vendor consists of (i) Units 1, 2, 3, 5, 6, 7 and 8, 33rd Floor, Enterprise Square Three, Kowloon Bay, Hong Kong and (ii) car parking spaces nos. 11 to 14 on 3rd Floor, Enterprise Square Three, Kowloon Bay, Hong Kong. To the best knowledge, information and belief of our Directors, having made all reasonable enquiries including reviewing results of land searches conducted against the Property at the Land Registry of Hong Kong, verifying the use of the Property for the three preceding financial years with the Vendor and inspecting the Property, the Property has been occupied by the Vendor for self-use for the three preceding financial years, during which the Vendor has not leased out any part of the Property to generate rental income or otherwise generate any revenue with identification income stream. On this basis, the Board considers that the Property is not a revenue-generating asset under Rule 14.67(6)(b)(i) of the Listing Rules.

---

## LETTER FROM THE BOARD

---

The Property is to be sold to the Purchaser on an “as is” basis. Pursuant to the terms of the Provisional Agreement, the parties shall enter into the Formal Sale and Purchase Agreement for the acquisition of the Property on or before 11 January 2018.

A valuation of the Property was performed by AVISTA Valuation Advisory Limited, an independent professional valuer appointed by the Company, which valued the market value of the Property at HK\$230,500,000 as at 31 December 2017. The valuation report of the Property performed by AVISTA Valuation Advisory Limited is set out in Appendix III to this circular.

### *Consideration*

The consideration of HK\$219,765,000, shall be payable by cash in the following manner:

- (i) an initial deposit of HK\$10,000,000, representing approximately 4.55% of the Consideration, upon signing of the Provisional Agreement;
- (ii) a further deposit of HK\$11,976,500, representing approximately 5.45% of the Consideration, upon signing of the Formal Agreement; and
- (iii) HK\$197,788,500, representing the remaining balance of the Consideration, upon Completion.

As at the Latest Practicable Date, the initial deposit and the further deposit have been settled by the Purchaser in cash.

The Consideration was determined after arm’s length negotiations between the Group and the Vendor through the Property Agent by reference to the prevailing market conditions, as well as the location of the Property and market price of comparable properties in the same area. Set out below is the list of comparable market transactions considered by the Directors prior to entering into the Provisional Agreement:

<b>Office</b>	<b>Date of Instrument</b>	<b>Gross Floor Area (sq. ft.)</b>	<b>Price</b>
Unit 5 and Unit 6 on 23rd Floor, Enterprise Square Three, No. 39 Wang Chiu Road, Kowloon	17 November 2017	4,760	HK\$64,800,000 (i.e. approximately HK\$13,613 per sq. ft.)
Unit 1 on 17th Floor, Enterprise Square Three, No. 39 Wang Chiu Road, Kowloon	30 August 2017	2,360	HK\$32,285,000 (i.e. approximately HK\$13,680 per sq. ft.)
Unit 2 on 30th Floor, Enterprise Square Three, No. 39 Wang Chiu Road, Kowloon	29 June 2017	2,245	HK\$29,185,000 (i.e. approximately HK\$13,000 per sq. ft.)

---

## LETTER FROM THE BOARD

---

<b>Carparking Space</b>	<b>Date of Instrument</b>	<b>Gross Floor Area (sq. ft.)</b>	<b>Price</b>
Carparking Space No. 49 on 3rd Floor, Enterprise Square Three, No. 39 Wang Chiu Road, Kowloon	13 December 2017	N/A	HK\$2,200,000
Carparking Space No. 61 on 3rd Floor, Enterprise Square Three, No. 39 Wang Chiu Road, Kowloon	30 August 2017	N/A	HK\$1,800,000

Based on the above list of comparable market transactions, the consideration for acquisition of properties similar to the Property was at the price ranges of approximately HK\$13,000 to HK\$13,613 per square foot of the gross floor area of the office and approximately HK\$1,800,000 to HK\$2,200,000 per car parking space. The Board considered that the above comparables were fair and representative samples to determine the Consideration as they consisted of acquisitions of properties within the same building of the Property in 2017. The Consideration for Units 1, 2, 3, 5, 6, 7 and 8, 33rd Floor, Enterprise Square Three, Kowloon Bay, Hong Kong is HK\$211,765,000 (i.e. approximately HK\$13,153 per square foot of the gross floor area) and HK\$2,000,000 for each of the carparking space nos. 11 to 14 on 3rd Floor, Enterprise Square Three, Kowloon Bay, Hong Kong, and falls within the price ranges of the above comparable market transactions considered by the Directors.

No independent valuation report on the Property was prepared by an independent qualified valuer prior to the entering of the Provisional Agreement.

The Property is situated in Enterprise Square, a pioneering Grade-A commercial development located at the heart of Kowloon East, an up-and-coming commerce hub surrounded by established community facilities, and served by planned large-scale transport developments. The market value of the Property is HK\$230,500,000, and its saleable unit rate is (i) HK\$20,120 per square foot of the saleable area for Units 1, 2, 3, 5, 6, 7 and 8, 33rd Floor, Enterprise Square Three, Kowloon Bay, Hong Kong and (ii) HK\$2,000,000 for each of the car parking spaces nos. 11 to 14 on 3rd Floor, Enterprise Square Three, Kowloon Bay, Hong Kong, based on the valuation report set out in Appendix III to this circular, which has been prepared by AVISTA Valuation Advisory Limited using market approach, a methodology of assessing the market value of a property interest by making reference to comparable market transactions. The comparable market transactions adopted in assessing the market value of the Property are set out in Appendix III to this circular. Based on such comparable market transactions, the saleable unit rate and market value of office buildings in the surroundings of the Property ranges from HK\$19,810 to HK\$20,616 per square foot of the saleable area of the office and the saleable unit rate and market value per car parking space in the surroundings of the Property ranges from HK\$1,800,000 to HK\$2,200,000.

Having considered the independent valuation of the Property set out in Appendix III to this circular and the market values and saleable unit rates of offices and car parking spaces in the surroundings of the Property, the Directors (including the independent non-executive Directors) are of the view that the Consideration for the Acquisition is fair and reasonable and in the interests of the Company and the Shareholders as a whole.



---

## LETTER FROM THE BOARD

---

It is expected that the Consideration will be financed by a combination of (i) internal resources of the Group and (ii) bank mortgage financing to the extent where available. In particular, the Company has submitted applications for mortgage financing with several banks and planned to finance 40% of the total Consideration (being HK\$87,906,000) with bank mortgage and to settle the remaining 60% of the total Consideration (being HK\$131,859,000) with the Group's internal resources. As at the Latest Practicable Date, the relevant banks are still processing our mortgage financing applications, and no mortgage agreement has been entered into by the Group with any of such relevant banks. Based on the preliminary proposed term sheet offered by one of the relevant banks, the mortgage loan interest rate is expected to be approximately HIBOR plus 1.5% per annum.

### *Agency fee*

On or before the Completion, the Purchaser shall pay a sum of HK\$800,000, which represents approximately 0.36% of the Consideration for the Acquisition, to the Property Agent for the Acquisition, as commission for the services rendered by the Property Agent.

### *Vacant possession*

It is a condition of the Formal Agreement that vacant possession of the Property on an "as is" basis shall be given to the Purchase upon Completion.

### *Completion*

Completion is conditional upon the payment of the remaining balance of the Consideration, being HK\$197,788,500, by the Group. Such condition is not waivable by either parties to the Provisional Agreement and the Formal Agreement. As at the Latest Practicable Date, the remaining balance of the Consideration is expected to be settled on or before 18 April 2018.

Subject to the terms the Provisional Agreement and the Formal Agreement, completion of the Acquisition shall take place on or before 18 April 2018.

### *Failure of Completion*

If the Purchaser (other than due to the default of the Vendor) fails to complete the Acquisition in accordance with the terms and conditions of the Formal Agreement, the Vendor may forthwith terminate the Formal Agreement by giving notice in writing to the Purchaser and the Vendor shall thereupon be entitled to re-enter upon the Property and repossess the same, and all deposits paid by the Purchaser shall be forfeited to the Vendor.

If the Vendor (other than due to the default of the Purchaser) fails to complete in accordance with the terms and conditions of the Formal Agreement, all deposits paid shall forthwith be returned to the Purchaser who shall also be entitled to recover from the Vendor such damages which the Purchaser may sustain by reason of the failure on the part of the Vendor to complete and it shall not be necessary for the Purchaser to tender an assignment to the Vendor.

---

## LETTER FROM THE BOARD

---

Either party to the Formal Agreement is not prevented from bringing an action and obtaining a decree for specific performance either in lieu of or in addition to such damages as it may have sustained by reason of the breach of the Formal Agreement by the other party and it shall not be necessary for the Purchaser to tender an assignment to the Vendor before bringing such action for specific performance.

### INFORMATION OF THE VENDOR

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor is a company incorporated in Hong Kong with limited liability.

### INFORMATION ON THE GROUP

The Group is principally engaged in (i) computer and peripheral products business; (ii) money-lending business; (iii) provision of corporate finance advisory service; and (iv) provision of securities services.

### FINANCIAL EFFECTS OF THE ACQUISITION

As disclosed in the paragraph headed "**The Provisional Agreement and the Formal Agreement - Consideration**" in this section above, the Company has submitted applications for mortgage financing with several banks and planned to finance 40% of the total Consideration (being HK\$87,906,000) with bank mortgage. If such bank mortgage becomes available to the Group, it is expected that upon completion of the Acquisition, there will be an increase in total assets of approximately HK\$108,096,000, comprising an increase in property, plant and equipment of approximately HK\$239,955,000 (being the total of Consideration of HK\$219,765,000 together with other directly attributable costs of the Acquisition of approximately HK\$20,190,000, comprising stamp duty of approximately HK\$18,680,000, legal and professional fee of approximately HK\$710,000 and agency commission of HK\$800,000), and netted-off by a decrease in bank balances and cash of HK\$131,859,000. On the other hand, it is expected that there will be an increase in total liabilities of approximately HK\$108,096,000, being the mortgage of approximately HK\$87,906,000 in addition to other directly attributable costs of the Acquisition amounting to HK\$20,190,000, being the directly attributable costs of Acquisition. For more details, please refer to the unaudited pro forma statement of assets and liabilities of the Group as set out in Appendix II to this circular. Moreover, based on the preliminary proposed term sheet offered by one of the relevant banks, the mortgage loan interest rate is expected to be approximately HIBOR plus 1.5% per annum. Accordingly, the estimated monthly mortgage loan interest expense will be approximately HK\$160,000.

If no mortgage financing is available to the Group, the Consideration will be settled in full with the Group's internal resources, and it is expected that upon completion of the Acquisition, there will be an increase in total assets of approximately HK\$20,190,000, comprising an increase in property, plant and equipment of approximately HK\$239,955,000 (being the total of Consideration of HK\$219,765,000 together with other directly attributable costs of the Acquisition of approximately HK\$20,190,000, comprising stamp duty of approximately HK\$18,680,000, legal and professional fee of approximately HK\$710,000 and agency commission of HK\$800,000), and netted-off by a decrease in bank balances and cash of HK\$219,765,000. On the other hand, it is expected that there will be an increase in total liabilities of approximately HK\$20,190,000, being the directly attributable costs of Acquisition.

---

## LETTER FROM THE BOARD

---

### REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group has been identifying additional premises to cope with the Group's operational needs and cater for the Group's future growth and development, and exploring investment opportunities with an aim to enhance the returns to the Company and its shareholders as a whole. The Group intends to use the Property as self-owned office after Completion and may, depending on future market circumstances, consider to lease out part of the Property at opportune time to increase the Group's income base and maximise return to Shareholders. In particular, the Company is currently contemplating the feasibility of leasing out part of the office of the Property to a related company that is also controlled by our controlling Shareholder ("**Related Company**") for its office use. As at the Latest Practicable Date, no concrete plan for such contemplated leasing arrangements including the size of the area to be leased has been made, and the Company has not started any negotiations on such contemplated leasing arrangements with the Related Company. If the Company subsequently considers it to be in the interest of the Company and its Shareholders as a whole to proceed with the abovementioned leasing arrangement and proposes to enter into a lease agreement ("**Lease Agreement**") for part of the Property with the Related Company, the Company will comply with the relevant requirements under Chapter 14 and Chapter 14A of the Listing Rules. In particular, the terms of, and the rental charges payable, under the Lease Agreement will be negotiated on arm's length basis, entered into in the ordinary and usual course of business of our Group and shall be on normal commercial terms which, from our perspective, shall be no less favourable to our Group than those made available to us by independent third party lessees. In particular, the rental chargeable under the Lease Agreement shall be at market rates and based on the then prevailing rental rates for properties of similar size and with similar attributes within the same building of the Property.

The Acquisition is considered by the Directors to be beneficial to the Group as it is expected to (i) provide more spacious area of self-owned office to cater for the Group's future development and (ii) provide capital appreciation potential to the Group. The Company currently intends to renovate the Property after Completion of the Acquisition, and has engaged on interior design company to prepare interior designs for the renovation works of the Property at a fee of approximately RMB300,000. The Company currently expects that the overall cost of such renovation works based on the interior designs proposed will be around HK\$5 million. However, no concrete plan for such renovation works has been confirmed and the Company has not engaged any renovation companies to undertake such renovation works as at the Latest Practicable Date.

Taking into account the above factors, the Directors consider that the terms of the Acquisition (including the Consideration) are on normal commercial terms and are fair and reasonable, and the Acquisition is in the interests of the Shareholders and the Company as a whole.

As none of the Directors has any material interest in the Provisional Agreement, Formal Agreement and the Acquisition, none of them has abstained from voting on the Board resolution(s) which approved the Provisional Agreement, Formal Agreement and the Acquisition.

---

## LETTER FROM THE BOARD

---

### LISTING RULES IMPLICATIONS

As one or more of the relevant percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceeds 25% but is less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification, publication and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder or any of their respective associates have any material interest in the Acquisition. As such, no Shareholder would be required to abstain from voting if a general meeting were convened to approve the Acquisition. Written approval of the Acquisition has been obtained from Forever Star Capital Limited, which is beneficially interested in approximately 58.59% of the issued share capital of the Company as at the date of this announcement, and is held as to 50% by Mr. George Lu, our executive Director, and 50% by his spouse, Ms. Shen Wei. Pursuant to Rule 14.44 of the Listing Rules, Forever Star Capital Limited's written approval may be accepted in lieu of holding a general meeting. As such, the Company is not required to convene an extraordinary general meeting for approving the Acquisition. Accordingly, no general meeting will be convened to approve the Acquisition Agreement and the transactions contemplated thereunder.

By order of the Board  
**Huabang Financial Holdings Limited**  
**George Lu**  
*Chairman*

## 1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for each of the three years ended 31 March 2015, 2016 and 2017 and the unaudited condensed consolidated financial information of the Group for the six months ended 30 September 2017, together with the relevant notes thereto are disclosed in the following documents:

- interim report of the Group for the six months ended 30 September 2017 published on 18 December 2017 (pages 1 to 18):

<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/1218/LTN20171218328.pdf>

- annual report of the Group for the year ended 31 March 2017 published on 21 July 2017 (pages 46 to 124):

<http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0721/LTN20170721325.pdf>

- annual report of the Group for the year ended 31 March 2016 published on 27 June 2016 (pages 33 to 92):

<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0627/LTN20160627223.pdf>

- annual report of the Company for the year ended 31 March 2015 published on 25 June 2015 (pages 28 to 85):

<http://www.hkexnews.hk/listedco/listconews/GEM/2015/0625/GLN20150625053.pdf>

### Major acquisition since 31 March 2017

Reference is made to the announcements dated 7 March 2017, 31 October 2017, 17 November 2017 and 26 January 2018, and the circular dated 12 February 2018 issued by the Company in relation to a conditional sale and purchase agreement dated 7 March 2017 entered into between Goldenmars Technology Investments Limited, an indirectly wholly-owned subsidiary of the Company, and Newpont Holdings Limited in respect of the acquisition of the entire issued share capital of Huabang Securities Limited (previously known as Qian Hai Securities Limited) (“**Target Company**”).

The Target Company has been principally engaged in the business of providing securities brokerage services since 1997 and it currently provides clients with access to local securities products. It is licensed under the SFO to carry out Type 1 and Type 4 regulated activities in Hong Kong. The audited consolidated financial statements of the Target Company and its subsidiary for each of the three years ended 31 December 2014, 2015 and 2016 and for the six months ended 30 September 2017, together with the relevant notes thereto are disclosed in Appendix II to the circular dated 12 February 2018 issued by the Company:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2018/0209/LTN201802091236.pdf>

The consideration for this acquisition was HK\$180,150,000, which shall be satisfied by (i) cash of HK\$30,000,000 and (ii) Goldenmars Technology Investments Limited procuring the Company to allot and issue 231,000,000 consideration Shares to the Vendor at the issue price of HK\$0.65 per consideration Share in accordance with the terms and conditions of the acquisition agreement upon its completion.

The aggregate of the remuneration payable to and benefits in kind receivable by the Directors will not be varied in consequence of the above acquisition.

## 2. STATEMENT OF INDEBTEDNESS

### (i) Borrowings

As at the close of business on 31 January 2018, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had borrowings of approximately HK\$36,483,000, which comprise the following:

	<b>As at 31 January 2018</b>
	<i>HK\$'000</i>
<b>Current interest bearing loans</b>	
Current portion of non-current secured and guaranteed bank loans*	2,105
	<u>2,105</u>
<b>Non-current interest bearing loans</b>	
Secured and guaranteed bank loans*	36,483
Less: current portion of non-current secured and guaranteed bank loans*	<u>(2,105)</u>
	<u>34,378</u>
	<u><u>36,483</u></u>

\* The guarantee is provided to a bank by the Company in relation to the subsidiary's bank borrowings.

As at the close of business on 31 January 2018, the Group's secured bank loans were secured by the Group's properties with an aggregate carrying amount of approximately HK\$42,711,000.

As at the close of business on 31 January 2018, the Group had un-utilised banking facilities of approximately HK\$82,600,000.

### (ii) Contingent Liabilities

As at the close of business on 31 January 2018, the Group did not have any material contingent liabilities.

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of business, as at the close of business on 31 January 2018, the Group did not have any debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities.

The Directors confirmed that there had been no material changes in the indebtedness and contingent liabilities of the Group since 31 January 2018 up to and including the Latest Practicable Date.

### **3. WORKING CAPITAL**

The Directors, after due and careful consideration, are of the opinion that, taking into consideration of the present financial resources available to the Group and also after completion of the Acquisition (including the Group's internally generated funds and the available banking facilities), the Group will have sufficient working capital for at least the next 12 months from the date of this circular.

### **4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP**

The Group is principally engaged in (i) computer and peripheral products business; (ii) money lending business; (iii) provision of corporate finance advisory services; and (iv) provision of securities services. Since 31 March 2017, the Group has continued to kept tight control of its operations and focused on enhancing operation efficiency and implementing various cost control measures. The management continued to devote substantial efforts in improving the overall operating profit of the Group and maintaining a healthy and strong balance sheet by various possible ways, such as improving the inventory management and trade receivables control and putting effort to significantly reduce the level of finance costs. The Group will continue to monitor the market trends and take prompt and appropriate actions to adjust our business strategies and allocate resources effectively under different market conditions.

As disclosed in the announcements dated 7 March 2017, 31 October 2017, 17 November 2017, 26 January 2018 and 15 February 2018, and the circular dated 12 February 2018 issued by the Company, a conditional sale and purchase agreement dated 7 March 2017 was entered into between Goldenmars Technology Investments Limited, an indirectly wholly-owned subsidiary of the Company, and Newpont Holdings Limited in respect of the acquisition of the entire issued share capital of the Target Company. Upon completion of the acquisition of the Target Company and its subsidiary ("**Target Group**") on 15 February 2018, it is expected that the enlarged Group will be able to expand into the business of securities, brokerage and margin financing. Nevertheless, the enlarged Group will remain cautiously optimistic on the prospects of the securities brokerage and margin financing business and other relevant services in relation to the Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities that the Target Group is licensed to carry out under the SFO, and will actively seize sound business opportunities made available following the launch of the Shanghai and Shenzhen-Hong Kong Stock Connect Scheme.

In order to enhance long-term growth of the Group and create substantial value to the Shareholders, the Group is dedicated to continuously exploiting possibilities of new scope of businesses to further expand its business presence in the financial services sector.

Looking ahead, the management is confident with the future development of the Group. The Group will continue to adhere to our principle of steady development, and positively cope with any challenges and capture suitable opportunities. The Group will continue to dedicate to exploiting new business opportunities in other sectors from time to time, such as other financial services sectors or other business sectors, in order to further diversify and broaden revenue sources of the Group and generate fabulous returns and long-term values for the Shareholders.

#### **5. MATERIAL ADVERSE CHANGE**

As of the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2017, being the date to which the latest published audited financial statements of the Group were made up.



**A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP****Introduction**

The following is an illustrative unaudited pro forma consolidated statement of assets and liabilities (the “**Unaudited Pro Forma Financial Information**”) of Huabang Financial Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) as at 30 September 2017 in connection with the proposed acquisition of (i) Units 1, 2, 3, 5, 6, 7 and 8, 33rd floor, Enterprise Square Three, Kowloon Bay, Hong Kong and (ii) car parking spaces nos. 11-14 on 3rd Floor, Enterprise Square Three, Kowloon Bay, Hong Kong (the “**Property**”) (the “**Acquisition**”). The Unaudited Pro Forma Financial Information presented below is prepared to illustrate the financial position of the Group immediately after completion of the Acquisition as at 30 September 2017 as if the Acquisition had been completed on 30 September 2017.

The Unaudited Pro Forma Financial Information is prepared based on the unaudited consolidated statement of financial position of the Group as at 30 September 2017 as set out in the Group’s interim report published on 18 December 2017, after making pro forma adjustments relating to the Acquisition that are directly attributable to the Acquisition and not relating to future events or decisions; and factually supportable.

The Unaudited Pro Forma Financial Information has been prepared by the directors in accordance with paragraph 4.29(1) of the Listing Rules, for illustrative purpose only and is based on a number of assumptions, estimates, uncertainties and currently available information. Accordingly, the Unaudited Pro Forma Financial Information does not purport to describe the actual financial position of the Group that would have been attained had the Acquisition been completed on 30 September 2017 nor purport to predict the Group’s future financial position.

The Unaudited Pro Forma Financial Information should be read in conjunction with the historical financial information of the Group as set out in the published interim report of the Group for the six months ended 30 September 2017, and other financial information included elsewhere in the Circular.

**APPENDIX II****UNAUDITED PRO FORMA FINANCIAL  
INFORMATION OF THE GROUP****UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES OF  
THE GROUP**

	<b>The Group at 30 September 2017 before Acquisition HKD'000 (Note 1)</b>	<b>Pro forma adjustment HKD'000 (Note 2)</b>	<b>The Group at 30 September 2017 after Acquisition HKD'000</b>
<b>Non-current assets</b>			
Intangible assets	5,958	–	5,958
Property, plant and equipment	44,830	239,955	284,785
Deposits and prepayments – non-current portion	30,196	–	30,196
Deferred tax assets	3,799	–	3,799
<b>Total non-current assets</b>	<b>84,783</b>	<b>239,955</b>	<b>324,738</b>
<b>Current assets</b>			
Inventories	4,329	–	4,329
Loan receivables	70,400	–	70,400
Trade and other receivables	107,339	–	107,339
Income tax recoverable	4,343	–	4,343
Cash and cash equivalents	162,637	(131,859)	30,778
<b>Total current assets</b>	<b>349,048</b>	<b>(131,859)</b>	<b>217,189</b>
<b>TOTAL ASSETS</b>	<b>433,831</b>	<b>108,096</b>	<b>541,927</b>
<b>Current liabilities</b>			
Trade payables	2,345	–	2,345
Other payables and accrued expenses	2,467	20,190	22,657
Current income tax liabilities	3,385	–	3,385
Current portion of interest-bearing borrowings	–	4,994	4,994
<b>Total current liabilities</b>	<b>8,197</b>	<b>25,184</b>	<b>33,381</b>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	<b>340,851</b>	<b>(157,043)</b>	<b>183,808</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>425,634</b>	<b>82,912</b>	<b>508,546</b>

	<b>The Group at 30 September 2017 before Acquisition HKD'000 (Note 1)</b>	<b>Pro forma adjustment HKD'000 (Note 2)</b>	<b>The Group at 30 September 2017 after Acquisition HKD'000</b>
<b>Non-current liabilities</b>			
Non-current portion of interest-bearing borrowings	—	82,912	82,912
Total non-current liabilities	—	82,912	82,912
<b>TOTAL LIABILITIES</b>	<b>8,197</b>	<b>108,096</b>	<b>116,293</b>
<b>NET ASSETS</b>	<b>425,634</b>	<b>—</b>	<b>425,634</b>

**NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP**

- The amounts are extracted from unaudited condensed consolidated statement of financial position of the Group as at 30 September 2017 as set out in the published interim report of the Group for the six months ended 30 September 2017.
- The adjustment is to reflect the Acquisition of the Property at the consideration of HKD219,765,000 together with other directly attributable costs of Acquisition of approximately HK\$20,190,000, comprising stamp duty of approximately HKD18,680,000, property agent commission of HKD800,000, legal fee of HKD80,000 and other professional fees relating to the Acquisition of HKD630,000. The Property is classified as property, plant and equipment as the Group intends to use the Property as self-owned office after the completion of the Acquisition and there is no concrete plan of leasing out part of the Property to other parties. If the Group lease out a portion of the Property to other parties in future, that separate portion of the Property will be reclassified as investment property.

In respect of the valuation of the Property carried out by an independent valuer, as set out in the Appendix III to this Circular, the Property is valued at HKD230,500,000 as of 31 December 2017, which approximates the amount adopted in the pro forma adjustment.

The property, plant and equipment is initially measured at cost (inclusive of transaction costs) and subsequently stated at cost less accumulated depreciation and accumulated impairment losses. The subsequent decrease in the carrying amount of the property, plant and equipment has not been reflected here for the purposes of this unaudited pro forma financial information.

**B. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP**

*The following is the text of a report received from Baker Tilly Hong Kong Limited, Certified Public Accountants, Hong Kong, for the purpose of the incorporation in this circular.*

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****To The Directors of Huabang Financial Holdings Limited**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Huabang Financial Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information (the “**Unaudited Pro Forma Financial Information**”) consists of the unaudited pro forma consolidated statement of assets and liabilities as at 30 September 2017, and related notes as set out on pages 15 to 17 of the circular dated 15 March 2018 (the “**Circular**”) issued by the Company in connection with the proposed acquisition of the Property (the “**Acquisition**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages 15 to 17 of the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Acquisition on the Group’s financial position as at 30 September 2017 as if the Acquisition had taken place at 30 September 2017. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s unaudited condensed consolidated financial statements for the six months ended 30 September 2017, on which an interim review report has been published.

**Directors’ Responsibility for the Unaudited Pro Forma Financial Information**

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

**Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 “Quality Control for Firms that Perform Audits and Review of Financial Statements, and Other Assurance and Related Services Engagements” issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Reporting Accountant’s Responsibilities**

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Unaudited Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in an investment circular is solely to illustrate the impact of the event or transaction on the unadjusted financial information of the Group as if the event or transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 September 2017 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgement, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

**Baker Tilly Hong Kong Limited***Certified Public Accountants*

Hong Kong, 15 March 2018

**Gao Yajun**

Practicing certificate number P06391

*The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this circular received from AVISTA Valuation Advisory Limited, an independent valuer, in connection with its valuation as at 31 December 2017 of the property interests of the Company.*



23rd Floor, Siu On Centre, No. 188 Lockhart Road,  
Wan Chai, Hong Kong

TEL : (852) 3702 7338      FAX : (852) 3914 6388

info@avaval.com

www.avaval.com

15 March 2018

**Huabang Financial Holdings Limited**

29th Floor, Enterprise Square Two,  
No. 3 Sheung Yuet Road,  
Kowloon, Hong Kong

Dear Sirs/Madams,

In accordance with the instructions of Huabang Financial Holdings Limited (the “**Company**” together with its subsidiaries, the “**Group**”) for us to carry out the valuation of the property interests located at Units 1, 2, 3, 5, 6, 7 and 8 on 33rd Floor, Enterprise Square Three, Kowloon Bay, Hong Kong and Car Parking Spaces Nos.11 to 14 on 3rd Floor, Enterprise Square Three, Kowloon Bay Hong Kong (the “**Property**”), we confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property interests as at 31 December 2017 (the “**Valuation Date**”).

The valuation is our opinion of market value which is defined by the Hong Kong Institute of Surveyors as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion”.

In valuing the property interests, we have complied with all the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited, the HKIS Valuation Standards 2017 published by the Hong Kong Institute of Surveyors, the International Valuation Standards published from time to time by the International Valuation Standards Council.

In the course of our valuation, unless otherwise stated, we have valued the property in their designated uses with the understanding that the property will be used as such.

According to HKIS Valuation Standard 2017, market approach should be applied when the subject assets are actively publicly traded and there are frequent and/or recent observable transactions. Therefore, we have adopted market approach in our valuation by making reference to comparable market transactions

in our assessment of the market value of a property interest. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

We have conducted land searches at the Land Registry of Hong Kong. However, we have not searched the original documents to verify ownership or to ascertain the existence of any amendment which does not appear on the copies handed to us. We are not aware of any title defects, easements or right of way affecting the property and our valuation assume that none exists, except only where otherwise stated.

We have relied to a very considerable extent on the information given to us by the Company in the course of valuation. We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We have also sought confirmation from the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld. We have accepted advice given to us on such matters as title, planning approvals, statutory notices, easements, tenure, particulars of occupancy, identification of property, site and floor areas and all other relevant matters.

Dimensions, measurements and areas included in the valuation certificates are based on information contained in the documents provided to us and are therefore only approximations. No on-site measurements have been made to verify their correctness. We have been advised by the Company that no material factors have been omitted from the information supplied to reach an informed view, and have no reason to suspect that any material information has been withheld.

We have not been commissioned carry out detailed site measurements to verify the correctness of the land or building areas in respect of the property but have assumed that the areas provided to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. We have also assumed that there was not any material change of the property in between date of our inspection and the Valuation Date.

We have inspected the exterior and, where possible, the interior of the appraised property. However, we must point out that we have not carried out a structural survey nor have we inspected woodwork or other parts of the structures which are covered, unexposed or inaccessible, we are therefore unable to report and any such part of the property are free from rot, infestation or any other defects. No tests were carried out on any of the services. We have assumed that utility services, such as electricity, telephone, water, etc., are available and free from defect.

Moreover, we have not carried out any site investigation to determine the suitability of the ground conditions or the services for any property development erected or to be erected thereon. Nor did we undertake archaeological, ecological or environmental surveys for the property interests. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred during the construction period. Should it be discovered that contamination, subsidence or other latent defects exists in the property or on adjoining or neighbouring land or that the property had been or are being put to contaminated use, we reserve right to revise our opinion of value.



No allowance has been made in our report neither for any charges, mortgages or amounts owing on the property interests nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

We have further assumed that the property was not transferred or involved in any contentious or non-contentious dispute as at the Valuation Date. We have also assumed that there was not any material change of the property in between date of our inspection and the Valuation Date.

The site inspection was carried on 31 January 2018 by our David He (Valuer of AVISTA Valuation Advisory Limited).

In accordance with our standard practice, this valuation certificate is for the exclusive use of the party to whom it is addressed and no responsibility is accepted to the third party for the whole or any part of its contents.

Unless otherwise stated, all monetary figures stated in this report are in Hong Kong Dollar (**HKD**).

Our valuation certificate is attached.

Yours faithfully,  
For and on behalf of  
**AVISTA Valuation Advisory Limited**  
**Sr Oswald W Y Au**  
*MHKIS(GP) AAPI MSc(RE)*  
*Registered Professional Surveyor (GP)*  
*Director*

*Note: Mr. Oswald W Y Au holds a Master's Degree of Science in Real Estate from the University of Hong Kong. He is also a member of Hong Kong Institute of Surveyors (General Practice) and Associate Member of Australian Property Institute. In addition, he is a Registered Professional Surveyor (General Practice) registered with Surveyors Registration Board. He has over 10 years' experience in the valuation of properties in the PRC, Hong Kong, the U.S., Canada, East and Southeast Asia including Singapore, Japan and Korea.*

## VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 December 2017 <i>HKD</i>
Units 1, 2, 3, 5, 6, 7 and 8 on 33rd Floor, Enterprise Square Three, Kowloon Bay, Hong Kong and Car Parking Spaces Nos.11 to 14 on 3rd Floor, Enterprise Square Three, Kowloon Bay Hong Kong	<p>The property comprises 7 office units on the 33rd floor and 4 car parking spaces on 3rd floor of a 46-storey complex building completed in about 2004.</p> <p>The property has a gross floor area of approximately 16,100 sq.ft. (1,495.73 sq.m.) and a saleable area of approximately 11,059 sq.ft. (1,027.40 sq.m.).</p>	The property was occupied by the Vendor for office and car parking purposes.	230,500,000
1099/75007 <sup>th</sup> shares of the Remaining Portion of New Kowloon Inland Lot No. 5877	The property is subject to Condition of Sale No. UB12509 for a term of 50 years commencing from 19 February 1998.		

*Notes:*

- The registered owner of the property is Lian Industrial Company Limited, registered via Memorial No. 07011900970343 and No.07011900970334 both dated 29 December 2006.
- A mortgage in favour of The Bank of East Asia Limited with a consideration of all monies registered via Memorial No.07011900970356 dated 29 December 2006.
- An agreement for sale and purchase in favour of Huabang Financial Investments Limited, an indirectly wholly-owned subsidiary of the Company, registered via Memorial No.18012400350017 dated 11 January 2018 with a consideration of HKD219,765,000.
- The property lies within an area zoned "Other Specified Uses (Business)" under Ngau Tau Kok & Kowloon Bay Outline Zoning Plan No. S/K13/29.
- In our valuation, we have made reference to the transaction records of some office and car parking spaces properties comparable to the property. We have adopted the unit rates of about HKD20,120 per sq.ft. of the saleable area for the office and HKD2,000,000 for each of the car parking space. The unit rates assumed by us are consistent with the said

transaction record. Due adjustments to the unit rates of those transaction record have been made to reflect factors including but not limited to time, floor and size in arriving at the key assumptions. The list of comparable market transactions considered by us in performing the valuation of the Property is listed below:

<b>Office</b>	<b>Date of Instrument</b>	<b>Saleable Area (sq.ft.)</b>	<b>Price (HKD)</b>	<b>Unit Price per Saleable Area (HKD/sq.ft.)</b>
Unit 5 and Unit 6 on 23rd Floor, Enterprise Square Three, No. 39 Wang Chiu Road, Kowloon	17 Nov 2017	3,271	64,800,000	19,810
Unit 1 on 17th Floor, Enterprise Square Three, No. 39 Wang Chiu Road, Kowloon	30 August 2017	1,566	32,285,000	20,616
<b>Carparking Space</b>	<b>Date of Instrument</b>	<b>Saleable Area (sq.ft.)</b>	<b>Price (HKD)</b>	
Carparking Space No. 49 on 3rd Floor, Enterprise Square Three, No. 39 Wang Chiu Road, Kowloon	13 December 2017	N/A	2,200,000	
Carparking Space No. 61 on 3rd Floor, Enterprise Square Three, No. 39 Wang Chiu Road, Kowloon	30 August 2017	N/A	1,800,000	

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular 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 circular misleading.

## 2. SHARE CAPITAL

### (a) Share capital of the Company as at the Latest Practicable Date

<i>Authorised:</i>		<i>HK\$'000</i>
<u>96,000,000,000</u>	Shares	<u>80,000</u>
<i>Issued and fully paid:</i>		
<u>4,089,492,000</u>	Shares	<u>3,408</u>

## 3. DISCLOSURE OF INTERESTS

### (a) Interests of Directors and chief executives of the Company

As at the Latest Practicable Date, the interests and short positions of each Director and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were deemed or taken to have under provisions of the SFO), (ii) required to be and are recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or (iii) required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies adopted by the Company as contained in Appendix 10 to the Listing Rules, were as follows:

*Interests in Shares*

<b>Name of Director</b>	<b>Capacity/ Nature of interest</b>	<b>Number of Shares</b>	<b>Approximate percentage of shareholding</b>
Mr. George Lu	Beneficial owner	145,800,000	3.57%
	Interest in controlled corporation ( <i>Note 1</i> )	2,396,064,000	58.59%
Ms. Lau Wing Sze	Security interest in shares	400,944,000	9.80%
	Beneficial owner	18,936,000	0.46%
	Interest in controlled corporation ( <i>Note 2</i> )	4,320,000	0.11%

*Notes:*

- (1) Mr. George Lu is the beneficial owner of 145,800,000 Shares and there are 2,396,064,000 Shares were registered in the name of Forever Star Capital Limited. Each of Mr. George Lu and his spouse, Ms. Shen Wei, holds 50% interest in Forever Star Capital Limited and is deemed to be interested in the 2,396,064,000 Shares held by Forever Star Capital Limited by virtue of the provisions of Divisions 7 and 8 of Part XV of the SFO.
- (2) The 4,320,000 Shares were registered in the name of Nice Rate Limited. Ms. Lau Wing Sze is the sole shareholder of Nice Rate Limited and is deemed to be interested in the 4,320,000 Shares held by Nice Rate Limited by virtue of the provisions of Divisions 7 and 8 of Part XV of the SFO.

*Interests in Share Options of the Company*

Name of Director	Outstanding share option as at the Latest Practicable Date	Date of grant	Exercisable period	Exercise price HK\$
Mr. George Lu	28,333,333	24 February 2017	24/02/17 – 20/12/19	0.55
	28,333,333		21/12/17 – 20/12/19	0.55
	28,333,334		21/12/18 – 20/12/19	0.55
Mr. Lau Wan Po	33,333,333	21 December 2016	21/12/16 – 20/12/19	0.55
	33,333,333		21/12/17 – 20/12/19	0.55
	33,333,334		21/12/18 – 20/12/19	0.55
Mr. Lau Wing Sze	14,200,000	21 December 2016	21/12/16 – 20/12/19	0.55
	14,200,000		21/12/17 – 20/12/19	0.55
	14,200,000		21/12/18 – 20/12/19	0.55
Mr. Pang Chung Fai Benny	500,000	21 December 2016	21/12/16 – 20/12/19	0.55
	500,000		21/12/17 – 20/12/19	0.55
	500,000		21/12/18 – 20/12/19	0.55
Mr. Loo Hong Shing Vincent	500,000	21 December 2016	21/12/16 – 20/12/19	0.55
	500,000		21/12/17 – 20/12/19	0.55
	500,000		21/12/18 – 20/12/19	0.55
Mr. Shin Yick Fabian	500,000	21 December 2016	21/12/16 – 20/12/19	0.55
	500,000		21/12/17 – 20/12/19	0.55
	500,000		21/12/18 – 20/12/19	0.55

**(b) Interests of substantial Shareholders**

So far as is known to the Directors and chief executive of the Company, as at the Latest Practicable Date, the following person (other than the Directors or chief executive of the Company) had interests or short positions in the Shares or the underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part

XV of the SFO, or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name of shareholder	Capacity/ Nature of interest	Number of Shares	Approximate percentage of shareholding
Forever Star Capital Limited	Beneficial owner	2,396,064,000	58.59%
Ms. Shen Wei	Interest of spouse (Note 1)	230,800,000	5.64%
	Interest in controlled corporation (Note 2)	2,396,064,000	58.59%
	Person having a security interest in shares	400,944,000	9.80%
Qianhai Health Holdings Limited	Person having a security interest in shares (Note 5)	400,944,000	9.80%
China Goldjoy Securities Limited	Custodian interest (Note 3)	346,912,000	8.48%
Mr. Yao Jianhui	Interest in controlled corporation (Note 4)	268,992,000	6.58%
Newpont Holdings Limited	Beneficial owner	231,000,000	5.65%

*Notes:*

- (1) Ms. Shen Wei is the spouse of Mr. George Lu, an executive Director and the Chairman and Chief Executive Officer of the Company, and is therefore deemed to be interested in the 145,800,000 Shares held by Mr. George Lu who is the beneficial owner and also 85,000,000 underlying Shares held by Mr. George Lu in respect of his interests in share options of the Company as disclosed in the paragraph headed “**Interests of Directors and chief executives of the Company – Interest in Share Options of the Company**” in this appendix above, by virtue of the provisions of Divisions 7 and 8 of Part XV of the SFO.
- (2) Ms. Shen Wei owns 50% of Forever Star Capital Limited and is therefore deemed to be interested in the 2,396,064,000 Shares held by Forever Star Capital Limited by virtue of the provisions of Divisions 7 and 8 of Part XV of the SFO.
- (3) According to the information available to the Company, China Goldjoy Securities Limited is a custodian of a total 346,912,000 Shares.
- (4) According to the information available to the Company, Mr. Yao Jianhui is deemed to be beneficially interested in a total of 268,992,000 Shares, which are all directly held by Hong Kong Bao Xin Asset Management Limited, which is a company wholly owned by Bao Xin International Asset Management Limited. Bao Xin International Asset Management Limited is in turn wholly owned by Great Sphere

Developments Limited, which is in turn wholly owned by China Goldjoy Group Limited. China Goldjoy Group Limited is beneficially owned as to 48.63% by Tinmark Development Limited, which is wholly owned by Mr. Yao Jianhui.

- (5) According to the information available to the Company, Qianhai Health Holdings Limited is deemed to be interested in the 400,944,000 shares as it is a deemed as person having a security interest in shares. Qianhai Health Holdings Limited is owned as to 47.38% by Super Generation Group Ltd. which is wholly owned by Mr. George Lu.

#### **4. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group, excluding contracts expiring or determinable within one year without payment of compensation (other than statutory compensation).

#### **5. COMPETING BUSINESS INTEREST OF DIRECTORS**

As at the Latest Practicable Date, none of the Directors or their close associates are interested in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

#### **6. LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against the Group, that would have a material adverse effect on its business, financial condition or results of operations.

#### **7. MATERIAL CONTRACTS**

The following contracts have been entered into by the Group (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this circular and is or may be material:

- (a) the Provisional Agreement and the Formal Agreement;
- (b) the conditional sale and purchase agreement dated 7 March 2017 entered into between Goldenmars Technology Investments Limited, an indirectly wholly-owned subsidiary of the Company, and Newpont Holdings Limited in respect of the acquisition of the entire issued share capital of the Target Company. For more details, please refer to the Company's announcements dated 7 March 2017, 31 October 2017, 17 November 2017 and 26 January 2018 and the Company's circular dated 12 February 2018;
- (c) the conditional sale and purchase agreement dated 28 July 2016 in respect of the acquisition of the entire issued share capital of Huabang Financial Limited (formerly known as Qianhai Financial Limited). For more details, please refer to the Company's announcements dated 10 February 2017;



- (d) the loan agreement dated 15 December 2017 entered into between Huabang Finance Limited (“**Huabang Finance**”), an indirectly wholly-owned subsidiary of the Company and a licensed money lender in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong, as lender, and an Independent Third Party as borrower, pursuant to which Huabang Finance agreed to renew a loan to the borrower in a principal amount of HK\$9 million for a term of 6 months. For more details, please refer to the Company’s announcement dated 15 December 2017;
- (e) the loan agreement dated 23 November 2017 entered into between Huabang Finance as lender, and an Independent Third Party as borrower, pursuant to which Huabang Finance agreed to grant a loan to the borrower in a principal amount of HK\$8.5 million for a term of 6 months. For more details, please refer to the Company’s announcement dated 23 November 2017;
- (f) the loan agreement dated 16 November 2017 entered into between Huabang Finance as lender, and an Independent Third Party as borrower, pursuant to which Huabang Finance agreed to grant a loan to the borrower in a principal amount of HK\$8.5 million for a term of 6 months. For more details, please refer to the Company’s announcement dated 16 November 2017;
- (g) the loan agreement dated 26 October 2017 entered into between Huabang Finance as lender, and an Independent Third Party as borrower, pursuant to which Huabang Finance agreed to grant a loan to the borrower in a principal amount of HK\$8.5 million for a term of 12 months. For more details, please refer to the Company’s announcement dated 26 October 2017;
- (h) the loan agreement dated 19 October 2017 entered into between Huabang Finance as lender, and an Independent Third Party as borrower, pursuant to which Huabang Finance agreed to grant a loan to the borrower in a principal amount of HK\$8.5 million for a term of 12 months. For more details, please refer to the Company’s announcement dated 19 October 2017;
- (i) the term sheet dated 3 September 2017 entered into between the Company as purchaser and IDB Development Corporation Ltd. as seller, in respect of the sale and purchase of 24,887,670 ordinary shares of Clal Insurance Enterprises Holdings Ltd., representing approximately 44.9% of its then issued share capital. For more details, please refer to the Company’s announcements dated 4 September 2017, 20 October 2017 and 4 December 2017;
- (j) the loan agreement dated 1 September 2017 entered into between Huabang Finance as lender, and an Independent Third Party as borrower, pursuant to which Huabang Finance agreed to renew a loan of HK\$7 million for a term of 12 months. For more details, please refer to the Company’s announcement dated 1 September 2017;
- (k) the loan agreement dated 1 September 2017 entered into between Huabang Finance as lender, and an Independent Third Party as borrower, pursuant to which Huabang Finance agreed to renew a loan of HK\$9.6 million for a term of 12 months. For more details, please refer to the Company’s announcement dated 1 September 2017;

- (l) the loan agreement dated 1 September 2017 entered into between Huabang Finance as lender, and an Independent Third Party as borrower, pursuant to which Huabang Finance agreed to renew a loan of HK\$9.8 million for a term of 12 months. For more details, please refer to the Company's announcement dated 1 September 2017;
- (m) the placing agreement dated 6 October 2016 entered into between the Company and the Target Company as placing agent, pursuant to which the Company agreed to place through the Target Company, on a best effort basis, up to 330,000,000 placing Shares at the placing price of HK\$0.46 per placing Share to not less than six placees, who and whose beneficial owners shall be Independent Third Parties. For more details, please refer to the Company's announcements dated 6 October 2016 and 24 October 2016; and
- (n) the sale and purchase agreement dated 15 June 2016 entered into between Bodatong Technology (Shenzhen) Company Limited, a wholly owned subsidiary of the Company, as vendor and an Independent Third Party as purchaser in respect of the sale and purchase of 12.42% of the total number of shares in Bozhou Botong Information Technology Company Limited, at a consideration of RMB19,250,000 (equivalent to approximately HK\$22,680,000). For more details, please refer to the Company's announcements dated 15 June 2016 and 29 September 2016.

## 8. EXPERTS AND CONSENTS

The following are the qualifications of the experts who have given opinion contained in this circular:

<b>Name</b>	<b>Qualifications</b>
Baker Tilly Hong Kong Limited	Certified Public Accountants
AVISTA Valuation Advisory Limited	Independent qualified valuer

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion therein of its reports and references to its name, in the form and context in which they are included.

As at the Latest Practicable date, each of the above experts did not have any shareholding in any member of the Group and did not have the right to subscribe for or to nominate persons to subscribe for shares in any members of the Group.

As at the Latest Practicable Date, each of the above experts did not have any interest, direct or indirect, in any assets which have been acquired or disposed of by or leased to any member of the Group, or which are proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2017, being the date to which the latest published audited consolidated financial statements of the Company were made up.

**9. GENERAL**

- (a) None of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or proposed to be so acquired, disposed of by or leased to any member of the Group since 31 March 2017, being the date to which the latest published audited consolidated financial statements of the Group were made up, and up to the Latest Practicable Date.
- (b) Save as disclosed in this circular, as at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director is materially interested and which was significant in relation to the business of the Group.
- (c) The company secretary of the Company is Mr. Wong Kwok Ming. He is a Practicing Certified Public Accountant in Hong Kong, a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of The Society Chinese Accountants & Auditors.
- (d) The registered office of the Company is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.
- (e) The principal place of business of the Company in Hong Kong is 29th Floor, Enterprise Square Two, 3 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong.
- (f) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited.
- (g) The English text of this circular shall prevail over the Chinese translation in the case of inconsistency.

**10. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection at the Company's principal place of business in Hong Kong at 29th Floor, Enterprise Square Two, 3 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong during normal business hours on any weekdays, except public holidays, from the date of this circular up to and including 6 April 2018:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Group for the years ended 31 March 2016 and 2017;
- (c) the report on the unaudited pro forma financial information of the Group upon the completion of the Acquisition, the text of which is set out in Appendix II to this circular;
- (d) the valuation report set out in Appendix III to this circular;
- (e) the material contracts referred to in the paragraph headed "**Material Contracts**" in this appendix;

- (f) the written consents of the experts referred to in the paragraph headed “**Experts and Consents**” in this appendix;
- (g) the Provisional Agreement and the Formal Agreement;
- (h) the circular dated 12 February 2018 issued by the Company in relation to an acquisition of the entire issued share capital of the Target Company; and
- (i) this circular.