

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



**弘達金融控股有限公司**

**HongDa Financial Holding Limited**

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

**(Stock Code: 1822)**

**SUPPLEMENTAL ANNOUNCEMENT  
REGARDING DISCLOSEABLE TRANSACTION  
INVOLVING THE ACQUISITION OF  
51% EQUITY INTERESTS IN THE TARGET COMPANY**

Reference is made to the announcement of the Company (the “**Announcement**”) dated 26 October 2017 in relation to the discloseable transaction on the part of the Company. Unless the context requires otherwise, capitalised terms used herein shall bear the same meaning as defined in the Announcement. The Company would like to provide further information in relation to the Acquisition as set out below.

**THE SHAREHOLDER’S LOAN**

The Company would like to supplement that the Shareholder’s Loan is non-interest bearing and unsecured. As at Completion Date, the amount of Shareholder’s Loan will be US\$15,300,000 (approximately HK\$119,340,000).

**BASIS IN DETERMINING CONSIDERATION**

The Company would like to supplement that the Consideration was determined with reference to the amount of shareholder’s loan owed by the Target Company to the Seller immediately prior to Completion in the amount of US\$30,000,000 (approximately HK\$234,000,000), which was approximately the total costs of acquisition of the Land and the buildings and the costs of professional advisors associated with such acquisition. The Consideration thus represented 51% of the total amount of the shareholder’s loan owed by the Target Company to the Seller immediately prior to Completion.

The Directors thus considered that the terms and conditions of the Agreement are fair and reasonable.

## **REPAYMENT OF PROMISSORY NOTE**

The Company would like to supplement that the Buyer intends to repay the Promissory Note by obtaining commercial loan secured by, amongst others, equity interests in the Target Group, the Land and the buildings erected thereon.

## **FUTURE PROSPECTS OF TARGET GROUP AND BUSINESS PLAN**

The Company would like to supplement that the said college campus and relevant facilities located on the Land are currently unoccupied. The Target Group plans to lease the Land and the buildings thereon to college operator(s) and the Land will continue to be used for educational purposes. As at the date of this announcement, there is no plan for the Company to inject capital into the Target Group. As the Company expects that the Land and the buildings thereon will generate rental income from college operator(s), the Company is of the view that the Acquisition will facilitate the Group in tapping into asset management business in the education sector.

As set out in the Company's 2016 annual report, the Group will implement a diversified strategy to expand its business, and focus on the development of financial and asset management business. As at the date of this announcement, other than the acquisition, the Company has no plan, arrangement, understanding, intention or negotiation (whether formal or informal) to acquire any asset management business related to the education sector or to dispose or to downsize its existing businesses.

In view of the above, the Directors considered that the Acquisition is in line with the Group's strategy to develop its financial and asset management business, and is in the interest of the Company and the Shareholders as a whole.

By Order of the Board  
**HongDa Financial Holding Limited**  
**DENG Shufen**  
*Chairman*

Hong Kong, 3 November 2017

*For the purpose of this announcement, unless otherwise indicated, conversions of US\$ into HK\$ is calculated at the approximate exchange rate of US\$1.00 to HK\$7.80. This exchange rate is adopted for the purpose of illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rates at all.*

*As at the date of this announcement, the Board comprises Ms. Deng Shufen (the Chairman), Ms. Chen Xiaohang (the chief executive officer), Mr. Gong Qingli as executive Directors; Mr. Jiang Tengfei (the Vice-Chairman) and Ms. Wang Li as non-executive Directors; and Mr. Fang Jun, Mr. Wong Yiu Kit, Ernest and Mr. Zhao Xianming as independent non-executive Directors.*