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MERDEKA

MERDEKA MOBILE GROUP LIMITED

(萬德移動集團有限公司*)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

**MEMORANDUM OF UNDERSTANDING
IN RESPECT OF POSSIBLE INVESTMENT**

This announcement is made by the Company on a voluntary basis.

The Board is pleased to announce that on 19 September 2014 (after trading hours), End User has entered into the MOU with Heng He pursuant to which End User and Heng He agreed to further negotiate for the Possible Investment. The MOU is not legally binding. As at the date of this announcement, no legally binding agreement or contract relating to the Possible Investment has been entered into by the Company. The Company will keep the Shareholders and public investors informed of any material development in connection with the Possible Investment by way of further announcement(s) as and when appropriate.

As the Possible Investment may or may not materialise, the Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by the Company on a voluntary basis.

* *for identification purposes only*

POSSIBLE INVESTMENT

The Board is pleased to announce that on 19 September 2014 (after trading hours), the Company has through its wholly-owned subsidiary, End User, entered into the MOU with Heng He, pursuant to which End User and Heng He agreed to further negotiate for the Possible Investment.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of Heng He and its ultimate beneficial owner(s) are independent third parties who is not a connected person of the Company as defined in the GEM Listing Rules and is independent of the Company and connected person(s) of the Company.

BACKGROUND OF HENG HE

Heng He is a company established in the PRC and is principally engaged in the financial lease business, rental business, investment in leased properties from local and overseas regions, and provision of maintenance, consultation and guarantee services relating to and realisation of leased properties.

SALIENT TERMS OF THE MOU

Pursuant to the MOU, the parties have agreed to negotiate for the Possible Investment involving the possible subscription of interest in not less than 60% of the equity interest of Heng He, and the method and timing of its payment or settlement are to be further negotiated and agreed. Parties will, upon agreeing on the relevant terms, enter into a formal agreement to materialise the Possible Investment. The MOU is not legally binding.

As at the date of this announcement, no legally binding agreement or contract relating to the Possible Investment has been entered into by the Company. Depending on the finalised structure and the terms, the Possible Investment may constitute a very substantial acquisition on the part of the Company. In such event, the Company will comply with the relevant requirements in the GEM Listing Rules, and will keep the Shareholders and public investors informed of any material development in connection with the Possible Investment by way of further announcement(s) as and when appropriate.

REASONS FOR THE MOU

The Group is principally engaged in forestry business, plantation business and trading business, including the trading of various brands of milk powder products to customers based in Hong Kong and information technology business.

As disclosed in various communications by the Company with its shareholders and public investors, the Group is actively exploring suitable investment opportunities and to diversify its businesses in order to lower the risk as well as maximize return to the Shareholders. The Board considers that financial lease business in the PRC is developing vigorously in recent years and is likely to yield attractive return. To the best of the information, knowledge and belief of the Company, Heng He is a well established enterprise in Shanghai, the PRC involving in the financial lease business and has developed extensive business network. The Board considers that, in the event the Possible Investment materialises, the Company would be offered a valuable opportunity to participate in the financial lease business in the PRC.

As the Possible Investment may or may not materialise, the Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the terms used herein shall have the following meanings:

“Board”	the board of Directors
“Company”	Merdeka Mobile Group Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	directors of the Company
“End User”	End User Investments Limited, a company incorporated the British Virgin Islands with limited liability and is wholly-owned by the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM
“Heng He”	Heng He Financial Lease (Shanghai) Company Limited [#] (恒河融資租賃(上海)有限公司), a company established in the PRC with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

[#] English name(s) used herein are transliteration of the Chinese name(s) and are for reference purposes only

“MOU”	the non-legally binding memorandum of understanding dated 19 September 2014 entered into between End User and Heng He in respect of the Possible Investment
“PRC”	The People’s Republic of China
“Possible Investment”	the possible subscription for not less than 60% of the equity interest of Heng He by End User
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By Order of the Board of
MERDEKA MOBILE GROUP LIMITED
Cheung Wai Yin, Wilson
Chairman and Chief Executive Officer

Hong Kong, 19 September 2014

As at the date of this announcement, the Directors are:

Executive Directors:

Mr. Cheung Wai Yin, Wilson (*Chairman and Chief Executive Officer*)

Mr. Lau Chi Yan, Pierre (*Managing Director*)

Non-executive Director:

Mr. Wong Chi Man

Independent Non-executive Directors:

Ms. Yeung Mo Sheung, Ann

Mr. Ng Kay Kwok

Mr. Yip Kat Kong, Kenneth

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

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Listed Company Information” page for at least seven days from the day of its publication and posting and will be published and remains on the website of the Company at <http://www.merdeka.com.hk>.